

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1414285-001

Total Deleted Page(s) = 11

Page 31 ~ Duplicate;
Page 32 ~ Duplicate;
Page 33 ~ Duplicate;
Page 44 ~ b6; b7C; b7D;
Page 46 ~ b6; b7C; b7D;
Page 83 ~ Duplicate;
Page 84 ~ Duplicate;
Page 85 ~ Duplicate;
Page 86 ~ Duplicate;
Page 87 ~ Duplicate;
Page 90 ~ b6; b7C; b7D;

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X Deleted Page(s) X
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TELETYPE UNIT
6 APR 92 12 11 P
FBI KNOXVILLE

4.
84
LAP
H44n

0390 MRI 01765

RR RUCNFB FBIAT FBIBH FBIME [REDACTED] FBISC FBISU FBISA

b7D

DE FBIKX #0013 0982102

ZNR UUUUU

R 072100Z APR 92

FM FBI KNOXVILLE (100A-KX-61340) (P)

TO DIRECTOR FBI/ROUTINE/

FBI ATLANTA/ROUTINE/

FBI BIRMINGHAM/ROUTINE/

FBI MEMPHIS/ROUTINE/

FBI [REDACTED] ROUTINE/

FBI SACRAMENTO/ROUTINE/

FBI SALT LAKE CITY/ROUTINE/

FBI SAN ANTONIO/ROUTINE/

BT

UNCLAS

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5-13-99 BY 60270LS/BCE/DC
412915

CITE: //3370: 4725//

PASS: FBIHQ, SSA [REDACTED] CID, CTS, DTU.

SUBJECT: ORDER OF SAINT JOHN, AKA SOVEREIGN ORDER OF SAINT
JOHN OF JERUSALEM; AMERICAN PISTOL AND RIFLE ASSOCIATION, AKA

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1-5200



PAGE TWO DE FBIKX 0013 UNCLAS

APRA; AMERICAN PATRIOTIC REVOLUTIONARY ASSOCIATION; DS/T; OO:
KX.

ARMED AND DANGEROUS.

RE TELCAL ON APRIL 6, 1992, BETWEEN SSA [REDACTED]
CID, CTS, DTU, AND SSRA [REDACTED] KNOXVILLE, CHATTANOOGA
RESIDENT AGENCY.

PER REFERENCED TELCAL ABOVE, KNOXVILLE DIVISION INITIATED
PRELIMINARY INQUIRY APRIL 7, 1992, TO EXPIRE JULY 6, 1992.

KNOXVILLE INITIATING A PRELIMINARY INQUIRY INTO CAPTIONED
ORGANIZATION ON INSTANT DATE. RECEIVING OFFICES BEING
PROVIDED COPY FOR INFORMATION PURPOSES.

CAPTIONED ORGANIZATIONS ARE HEADED BY JOHN LOUELLEAN
GRADY, ALSO KNOWN AS JOHN L. GRADY, DESCRIBED AS WHITE MALE,
DATE OF BIRTH NOVEMBER 24, 1930, HEIGHT 6 FEET, WEIGHT 175
POUNDS, BLUE EYES, BROWN HAIR, SOCIAL SECURITY NUMBER
482-22-9274, TENNESSEE DRIVER'S LICENSE NUMBER 51312724.

GRADY, AN MD, IS ALSO ALLEGED FOUNDER OF AMERICAN CHRISTIAN
CHURCH (ACC). GRADY OWNS APPROXIMATELY 340 ACRES SPREAD OVER
FOUR PARCELS OF LAND IN BENTON COUNTY, TENNESSEE, LOCATED IN
THE SOUTHEASTERN PART OF THE STATE.

THE APRA, WITH GRADY AS PRESIDENT, POST OFFICE BOX USA,

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b7C

PAGE THREE DE FBIKX 0013 UNCLAS

BENTON, TENNESSEE 37307, IS ALLEGED TO HAVE A NATIONAL FIREARMS ACADEMY ON GRADY'S PROPERTY AND HAS ADVERTISED TWO-DAY, THREE-DAY, AND FIVE-DAY COURSES THROUGH JUNE OF 1992. THE ACADEMY STATES THAT NOT ONLY IS THE TRIGGER FINGER OF GOOD CITIZENS TRAINED BUT ALSO THE MIND AND HEART AS ALL THREE MUST FUNCTION CORRECTLY TO DEFEND LIFE, FAMILY, PROPERTY, COUNTRY, CULTURE, HERITAGE, AND SO FORTH. INFORMATION RECEIVED FROM BIRMINGHAM MARCH 18, 1992, VIA SOURCE, THAT [REDACTED]

[REDACTED]

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THE SOVEREIGN ORDER OF SAINT JOHN OF JERUSALEM, CONVENT OF THE ORDER, COVENANT LANE, BENTON, TENNESSEE 37307, ALSO HEADED BY GRADY. ADMISSION TO THE ORDER IS BY INVITATION AND IS VERY LIMITED. DURING INTERVIEW BY FBI KNOXVILLE IN 1983 AT HIS COMPOUND, GRADY ALLEGED HE WAS NOT IN FAVOR OF RADICAL AND MILITANT RIGHT-WING CAUSES BECAUSE THEY GAVE ORGANIZATIONS

PAGE FOUR DE FBIKX 0013 UNCLAS

LIKE HIS A BAD NAME

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KNOXVILLE DIVISION AT BENTON, TENNESSEE:

WILL CONTINUE PRELIMINARY INVESTIGATION OF CAPTIONED
ORGANIZATIONS.

ARMED AND DANGEROUS.

BT

#0013

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RECEIVED
TELETYPE UNIT

22 APR 92 10 40

FEDERAL BUREAU
OF INVESTIGATION

C271 MRI C1312

RR RUCNFB FBIAT FBIBH FBIME FBISA FBISU

DE FBIKX #0004 1131839

ZNR UUUUU

R 221838Z APR 92

FM FBI KNOXVILLE (100A-KX-61340) (P)

TO DIRECTOR FBI/ROUTINE/

FBI ATLANTA/ROUTINE/

FBI BIRMINGHAM (100A-SA-34564)/ROUTINE/

FBI MEMPHIS /ROUTINE/

FBI (100A-SA-34564)/ROUTINE/

FBI SAN ANTONIO (100A-SA-34564)/ROUTINE/

FBI SALT LAKE CITY (100A-SU-9595)/ROUTINE/

BT

UNCLAS

CITE: //3370: 4725//

PASS: FBIHQ, SSA CID, CTS, DTU; BIRMINGHAM,

HUNTSVILLE RA, SA MEMPHIS, CLARKSVILLE RA, SA

SA ; SAN ANTONIO, AUSTIN

RA, SA SALT LAKE CITY, COEUR D'ALENE RA, SA

DATE 5-13-94 4/29/15 60267MS/00E/06

1-5214

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PAGE TWO DE FBIKX 0004 UNCLAS

SUBJECT: ORDER OF ST. JOHN, AKA; AMERICAN PISTOL AND RIFLE
ASSOCIATION, AKA; DS/T; OO: KX.

ARMED AND DANGEROUS.

RE [REDACTED] TELETYPE TO BUREAU, 4/17/92, AND KNOXVILLE
TELETYPE TO BUREAU, 4/7/92.

b7D

SAC KNOXVILLE CONCURS WITH [REDACTED]
SHOULD ATTEND MEETING TO BE HELD AT COMPOUND, ORDER OF ST.
JOHN, BENTON, TENNESSEE, [REDACTED]
ATTENDANCE AT MEETING SHOULD ASSIST KNOXVILLE INVESTIGATION OF
SUBJECT GROUP AND PROVIDE INFORMATION REGARDING POSSIBLE
ALLIANCE OF GROUPS AS SET FORTH IN RE [REDACTED] TELETYPE TO
BUREAU, 4/17/92.

[REDACTED]
KNOXVILLE DIVISION AT BENTON, TENNESSEE.

WILL PROVIDE SUCH SURVEILLANCE AS POSSIBLE OF MEETING,

[REDACTED] AND WILL PROVIDE ASSISTANCE/COVERAGE TO [REDACTED]

[REDACTED] AS REQUESTED.

ARMED AND DANGEROUS.

BT

PAGE THREE DE FBIKX 0004 UNCLAS

#0004

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DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
COMMUNICATION MESSAGE FORM

TRANSMIT VIA:

☒ Teletype

DATE: 7/6/92

^PAGE 1 OF 2

PRECEDENCE:

☐ Immediate☐ Priority☒ Routine

CLASSIFICATION:

☐ TOP SECRET☐ SECRET☐ CONFIDENTIAL☐ UNCLAS E F T O☒ UNCLAS

FM DIRECTOR FBI

TO FBI KNOXVILLE {100A-KX-61340}/ROUTINE/

BT

UNCLAS

CITE: //0652//

PASS: SSRA CHATTANOOGA RA.b6
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SUBJECT: ORDER OF SAINT JOHN, AKA; AMERICAN PISTOL AND RIFLE
ASSOCIATION; DOMESTIC SECURITY/TERRORISM {DS/T}; OO: KNOXVILLE.

REFERENCE KNOXVILLE AIRTEL, WITH LETTERHEAD MEMORANDUM,
DATED 7/1/92.

PRELIMINARY INQUIRY {PI} AUTHORIZED 4/7/92, TO EXPIRE ON
7/6/92, EXTENDED TO 8/5/92.

PI IS EXTENDED FOR A THIRTY DAY PERIOD AS NOTED ABOVE, WHILE
FBIHQ CONSIDERS KNOXVILLE'S REQUEST FOR AUTHORIZATION OF A FULL
DS/T INVESTIGATION REGARDING CAPTIONED GROUP. FBIHQ WILL ADVISE

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5-12-99 BY 60262 WLS/DCE/DC
4/29/15

***** FOR COMM CENTER USE ONLY *****

NOTE: Copy Designations Are On The Last Page Of This Teletype!!!

Approved By *M. J. H.*MRI/JUL 884/188Transmitted 2153ISN 00b6
b7C

RECEIVED
TELETYPE UNIT
6 JUN 52 18 31
FEDERAL BUREAU
OF INVESTIGATION

RECEIVED
JUN 6 1952
FEDERAL BUREAU
OF INVESTIGATION

DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
COMMUNICATION MESSAGE FORM

^PAGE 2 UNCLAS

KNOXVILLE WHEN A DECISION HAS BEEN REACHED REGARDING THIS
AUTHORIZATION.

BT

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DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
COMMUNICATION MESSAGE FORM

PAGE 3

ADMINISTRATIVE NOTE/TICKLER COUNT:

NOTE: THIS TELETYPE AUTHORIZES A 30-DAY EXTENSION OF CAPTIONED PI WHILE FBIHQ CONSIDERS THE APPROVAL OF A FULL DS/T INVESTIGATION OF THE ORDER OF SAINT JOHN. THIS IS THE FIRST 30-DAY EXTENSION OF THIS PI.

Drafted By: 7/8:tjg Room/TL #: 5214 Phone No: 4650

COPY DESIGNATIONS:

1 - MR.
1 - MR.
1 - MR.

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100-11-101-101
FEDERAL BUREAU
OF INVESTIGATION

0579 MRI 02017

RR RUCNFB FBIBH FBILA ☐ FBISA

DE FBIKX #0003 1992328

ZNR UUUUU

R 172326Z JUL 92

FM FBI KNOXVILLE (100A-KX-61340) (P)

TO DIRECTOR FBI/ROUTINE/

FBI BIRMINGHAM/ROUTINE/

FBI LOS ANGELES/ROUTINE/

FBI ☐ ROUTINE/

FBI SAN ANTONIO/ROUTINE/

BT

UNCLAS

CITE: //3370: 4725//

PASS: FBIHQ, CID, CTS, DTU, SSA ☐ ROOM 5214.

SUBJECT: ORDER OF SAINT JOHN, AKA SOVEREIGN ORDER OF SAINT
JOHN OF JERUSALEM; AMERICAN PISTOL AND RIFLE ASSOCIATION, AKA
AMERICAN PATRIOTIC REVOLUTIONARY ASSOCIATION, APRA; DS/T; OO:
KX.

SUBJECTS SHOULD BE CONSIDERED ARMED AND DANGEROUS.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 6-2-99 BY 60267NLS/BCE/06
4/29/15

Dep. Dir.	
Asst. Dir.:	
Adm. Serv.	
Crim. Inv.	
Ident.	
Insp.	
Intell.	
Lab.	
Legal Coun.	
Off. Cong. & Public Affs.	
Rec. Mgmt.	
Tech. Serv.	
Training	
Off. of the Inspector General	

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PAGE TWO DE FBIKX 0003 UNCLAS

RE SA [REDACTED], KNOXVILLE, TELCALL TO SSA

[REDACTED] FBIHQ, CID, CTS, DTU, 7/17/92.

PRELIMINARY INQUIRY (PI) AUTHORIZED 4/7/92, TO EXPIRE
7/6/92, EXTENDED TO 8/5/92.

FOR INFO LOS ANGELES, INFORMATION CONCERNING CAPTIONED
ORGANIZATIONS SURFACED DURING INVESTIGATION OF THE CIVILIAN
MATERIAL ASSISTANCE (100A-BH-34564) AND PATCON (100A-SA-
35711), A GROUP I UCO, BOTH INVOLVING RACIST HATE/WHITE
SUPREMACY ORGANIZATIONS. IT WAS DETERMINED THAT JOHN L.
GRADY, J.C., IS THE LEADER OF CAPTIONED GROUPS IN BENTON,
TENN., A REMOTE, RURAL COUNTY IN SOUTHEASTERN TENNESSEE.
GRADY HAS BEEN INVOLVED IN THIS MOVEMENT SINCE THE EARLY
1980'S, IF NOT BEFORE. GRADY IS OF THE BELIEF THAT AN
EVENTUAL WAR WILL TAKE PLACE WITH THE GOVERNMENT OF THE UNITED
STATES AND HAS ADVISED HIS GROUPS AND OTHER SUCH ORGANIZATIONS
TO PREPARE LISTS FOR TARGETS OF VIOLENCE AND HIT LISTS OF
PEOPLE TO BE ASSASSINATED WHEN THIS REVOLT HAPPENS. GRADY
ALLEGEDLY WANTS RIGHT WING AND WHITE HATE GROUPS TO FORM AN
INTERLOCKING SYSTEM OR ALLIANCE. SOURCE INFO HAS BEEN
RECEIVED DETAILING [REDACTED]

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PAGE THREE DE FBIKX 0003 UNCLAS

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[REDACTED]

THE BUREAU HAS DIRECTED THAT KNOWN PERSONS TARGETED FOR POSSIBLE VIOLENCE BE NOTIFIED AND PREVIOUSLY, SACRAMENTO HAS NOTIFIED TWO LEGISLATORS, DAVID ROBERTS AND MICHAEL ROOS, THAT THEIR NAMES HAD BEEN MENTIONED AS TARGETS BECAUSE GRADY WAS ANGRY THAT THE TWO HAD SPONSORED ANTI-GUN LEGISLATION IN CALIFORNIA.

[REDACTED]

[REDACTED] THE SOURCE ADVISED

[REDACTED]

LEADS

LOS ANGELES

AT LOS ANGELES, CALIFORNIA. IF POSSIBLE, IDENTIFY THE

PAGE FOUR DE FBIKX 0003 UNCLAS

[REDACTED] MENTIONED AS A TARGET OF VIOLENCE. IF SO IDENTIFIED, SHE SHOULD BE CONTACTED AND ADVISED THAT A POSSIBLE, NON-SPECIFIC THREAT HAS BECOME KNOWN CONCERNING HER AS THE RESULT OF AN FBI INVESTIGATION BUT THAT NO FURTHER DETAILS ARE KNOWN AT THE PRESENT. THE INFORMATION CONCERNING THE THREAT SHOULD NOT BE MADE PUBLIC AS IT WOULD JEOPARDIZE THE INVESTIGATION. SHE SHOULD ALSO BE ADVISED THAT IF FURTHER, MORE SPECIFIC INFORMATION BECOMES KNOWN, SHE WILL BE ADVISED.

LOS ANGELES SHOULD NOTIFY THE BUREAU AND KNOXVILLE IF THE IDENTIFICATION CAN BE MADE AND OF THE NOTIFICATION OF THAT PERSON.

SUBJECTS SHOULD BE CONSIDERED ARMED AND DANGEROUS.

BT

#0003

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RECEIVED
TELETYPE UNIT
15 JUL 92 22 05
FEDERAL BUREAU
OF INVESTIGATION

0319 MRI 01483

RR RUCNFB FBIBA FBIBH FBIME FBIPD FBISA

b7D

DE FBIKX #0003 1972039

ZNR UUUUU

R 152038Z JUL 92

FM FBI KNOXVILLE (100A-KX-61340) (P)

TO DIRECTOR FBI/ROUTINE/

FBI BALTIMORE/ROUTINE/

FBI BIRMINGHAM/ROUTINE/

FBI MEMPHIS/ROUTINE/

FBI ROUTINE/

FBI PORTLAND/ROUTINE/

FBI SAN ANTONIO/ROUTINE/

BT

UNCLAS

CITE: //3370:4725//

PASS: FBIHQ, CID, CTS, DTU, SSA ROOM 5214;

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ATTENTION: SA AUSTIN RA, SAN ANTONIO.

SUBJECT: ORDER OF SAINT JOHN, AKA; AMERICAN PISTOL AND RIFLE
ASSOCIATION, AKA; DS/T; OO: KX.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 6-3-99 BY 60267NLS/SCF/DE
412915

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PAGE TWO DE FBIKX 0003 UNCLAS

SUBJECTS SHOULD BE CONSIDERED ARMED AND DANGEROUS.

RE SAN ANTONIO TELETYPES TO BUREAU DATED JULY 14, 1992,
KNOXVILLE AIRTEL TO BUREAU WITH LHM DATED JULY 1, 1992.

PRELIMINARY INQUIRY (PI) AUTHORIZED APRIL 7, 1992, TO
EXPIRE ON JULY 6, 1992, EXTENDED TO AUGUST 5, 1992.

THE BUREAU IS REQUESTED TO APPROVE CONTINUATION PATCON
GROUP 1 UCO (100A-SA-35711) WITH SAN ANTONIO AS AUXILIARY
OFFICE OF CAPTIONED CASE WITH KNOXVILLE AS PARENT CASE OFFICE
OF GROUP ONE UCO. KNOXVILLE BELIEVES PATCON UCAS ARE IN
UNIQUE POSITION TO OBTAIN AND FURNISH INFORMATION REGARDING
JOHN L. GRADY AND THE EXTENT OF ACTIVITIES OF GRADY'S
ORGANIZATIONS. THIS IS IN ANTICIPATION OF BUREAU AUTHORIZING
FULL FIELD INVESTIGATION OF CAPTIONED MATTER AS REQUESTED BY
KNOXVILLE IN RE KNOXVILLE AIRTEL TO BUREAU JULY 1, 1992. IT
IS NOTED THAT MUCH OF THE INFORMATION OBTAINED BY KNOXVILLE IN
CAPTIONED MATTER HAS BEEN FROM THE PATCON UCAS AND [REDACTED]
[REDACTED] AS UTILIZED BY SAN ANTONIO.

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SAC KNOXVILLE CONCURS WITH SAN ANTONIO REQUEST FOR
AUTHORITY FOR CCTV WITH AUDIO COVERAGE FOR CONSENSUAL TAPE
RECORDING IN RENTAL VAN TO BE USED BY PATCON UCAS UTILIZING
NAGRAS AND CCTV DURING CONTACTS WITH JOHN L. GRADY AND

PAGE THREE DE FBIKX 0003 UNCLAS

[REDACTED] AS OUTLINED IN RE SAN ANTONIO TELETYPES.

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FOR INFORMATION OF SAN ANTONIO, AS PROVIDED BY ATLANTA,
THE LAST KNOWN LOCATION FOR [REDACTED] ON LOOKOUT MOUNTAIN
WAS IN CLOUDLAND, GEORGIA, THEREBY ANY CONTACT WITH [REDACTED]
MAY OCCUR IN ATLANTA DIVISION.

SUBJECTS SHOULD BE CONSIDERED ARMED AND DANGEROUS.

BT

#0003

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FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 7/1/92

TO : DIRECTOR, FBI
 (ATTN: CID, COUNTERTERRORISM SECTION,
 DOMESTIC TERRORISM UNIT
 SSA [redacted])

FROM : SAC, KNOXVILLE (100A-KX-61340) (P)

SUBJECT : ORDER OF SAINT JOHN, aka;
~~_____~~

DS/T
 OO: KX

SUBJECTS SHOULD BE CONSIDERED ARMED AND DANGEROUS.

REQUEST OF THE BUREAU:

The Bureau is requested to authorize a full field investigation in captioned matter.

Re Knoxville teletype to the Bureau dated 4/7/92;
 telephone call between SSA [redacted] CID, CTS, DTU and
 SSRA [redacted] Knoxville Division, Chattanooga RA.

Preliminary inquiry initiated 4/7/92 to expire
 7/6/92.

Enclosed for the Bureau are the original and three
 copies of an LHM setting forth background information
 concerning captioned organization.

(3) - Bureau (Enc. 4)
 2 - Knoxville

JDJ/bdp
 (4)

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 6-3-99 BY 60267NLS/BCE/DF

412915

Approved: B/MS

Transmitted

(Number) (Time)

Per _____

Hand carried /cc LHM with cover memo to DOJ/OIPR by DTE
 7-22-92
 mailroom

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b6
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100A-KX-61340

ADMINISTRATIVE

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The CS referred to in the enclosed LHM is



SUBJECT SHOULD BE CONSIDERED ARMED AND DANGEROUS.



U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to
File No.

710 Locust Street
Knoxville, TN 32902

July 1, 1992

ORDER OF SAINT JOHN, also known as
SOVEREIGN ORDER OF SAINT JOHN OF JERUSALEM;
DOMESTIC SECURITY/TERRORISM

This case is predicated upon information received that the Order of Saint John and the American Pistol and Rifle Association and their head, John L. Grady, M. D., all located at Benton, Tennessee, have presented a reasonable indication of furthering political and social goals by the use of force or violence and violation of the criminal laws of the United States. The groups are motivated by a belief in white supremacy and a distrust of and lack of confidence in the government of the United States and as a result there will be a revolt of right-wing groups that would occur when George Bush is re-elected President of the United States.

BACKGROUND:

Beginning on March 18, 1992, the Federal Bureau of Investigation (FBI), Knoxville Division, began receiving information regarding John L. Grady and the Order of Saint John (OSJ) and the American Pistol and Rifle Association (APRA). The APRA advertises a National Firearms Academy located on property owned by Grady that conducts two-day, three-day and five-day courses in firearms and survival training. The Academy states that not only is the trigger finger of good citizens trained but also the mind and heart as all three must function correctly to defend life, family, property, country, culture, heritage and so forth. Information received stated that a representative of APRA, [redacted] gave a lecture to the Civilian Material Assistance (CMA), a white hate group in Decatur, Alabama headed by [redacted] on techniques on how to kill policemen in confrontations.

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ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 6-3-99 BY 60267NLS/OCF/DF
412915

The OSJ, also headed by Grady, is a group in which membership is by invitation and is very limited and according to their literature, appears to be anti-Semitic in belief. A confidential source (CS) of the FBI advised [redacted]

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The CS has also advised the FBI of [redacted]

KEY LEADER:

John Louallen Grady is the leader of the OSJ and APRA. Grady is a white male born November 24, 1930 and is a Doctor of Medicine who still practices at least part time at Woods Memorial Hospital, Etowah, Tennessee. Grady is also the founder of the American Christian Church (ACC) with a church building located on his compound in Benton, Tennessee. Grady is a former medical examiner in Florida, a former mayor of Belle Glade, Florida; a one-time candidate for the United States Senate and a chairman of the American Freedom Crusade. Grady has been in the community since approximately 1981 and in the past was accepted by the community and was on good terms with the local Sheriff's Office.

FINANCES:

Grady has a legitimate income from his medical practice and probably has income from APRA activities and possible income from the ACC. It is not known specifically how Grady financed the building of his extensive compound in Benton, Tennessee or

100A-KX-61340

financed his acquisition of approximately 340 acres divided among four parcels of land on which ACC, APRA and OSJ activities are conducted.

GEOGRAPHY:

John L. Grady and his organizations are located in Polk County, Tennessee, the southeastern most county in the state. It is mainly a rural and mountainous community that also contains part of the Cherokee National Forest. The area is basically secluded with limited access. It is unknown at the present as to what other geographic areas might hold members of APRA and OSJ.

PLANNED ACTIVITIES:

Grady would like to see the right wing and white hate groups join together in an alliance to further the purposes of the movement and in conducting the inevitable revolt against the government of the United States. Survival and firearms training has been conducted on the OSJ and APRA property and men have been seen wearing camouflage units and carrying firearms. Acts of violence were previously discussed in the background section.

TIES TO OTHER GROUPS:

Grady, through OSJ and APRA, has had contacts with the CMA in Alabama and has expressed a desire to form an alliance with other white supremacy, white hate and right wing groups located across the United States. [REDACTED]

b7D

DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
COMMUNICATION MESSAGE FORM

TRANSMIT VIA:

☒ Teletype

DATE: 7/14/92

^PAGE 1 OF 2

PRECEDENCE:

☐ Immediate☐ Priority☒ Routine

CLASSIFICATION:

☐ TOP SECRET☐ SECRET☐ CONFIDENTIAL☐ UNCLAS E F T O☒ UNCLAS

FM DIRECTOR FBI

TO FBI KNOXVILLE {100A-KX-61340}/ROUTINE/

BT

UNCLAS

CITE: //0652//

SUBJECT: ORDER OF SAINT JOHN, AKA SOVEREIGN ORDER OF SAINT JOHN
OF JERUSALEM; DOMESTIC SECURITY/TERRORISM {DS/T}; OO: KNOXVILLE.

REFERENCE KNOXVILLE AIRTEL, WITH LETTERHEAD MEMORANDUM
{LHM}, DATED JULY 1, 1992.

FULL DS/T INVESTIGATION AUTHORIZED JULY 15, 1992, TO EXPIRE
ON JANUARY 10, 1993.

KNOXVILLE SHOULD REFER TO THE ATTORNEY GENERAL'S GUIDELINES
{AGG} ON DS/T INVESTIGATIONS AND THE MANUAL OF INVESTIGATIVE
OPERATIONS AND GUIDELINES {MIOG}, PART I, SECTION 100, FOR
GUIDANCE IN REPORTING THE RESULTS OF THIS INVESTIGATION, NOTING

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 6-3-99 BY 60267NLS/BCE/DF
412915

***** FOR COMM CENTER USE ONLY *****

NOTE: Copy Designations Are On The Last Page Of This Teletype!!!

Approved By

MRI/JUL

Transmitted

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DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
COMMUNICATION MESSAGE FORM

^PAGE 2 UNCLAS

THAT RENEWAL AUTHORITY IS NEEDED TO CONDUCT THIS INVESTIGATION
BEYOND JANUARY 10, 1993.

AS KNOXVILLE IS AWARE, SECTION III.B.1.C OF THE AGG
AUTHORIZES THE COLLECTION OF INFORMATION ABOUT PUBLIC
DEMONSTRATIONS AND MEETINGS BY DOMESTIC TERRORISM ENTERPRISES,
SUCH AS THE ORDER OF SAINT JOHN, WHICH ARE UNDER ACTIVE
INVESTIGATION. KNOXVILLE SHOULD ENSURE THAT COVERAGE OF PUBLIC
ACTIVITIES, PARTICULARLY THOSE IN WHICH ORDER OF SAINT JOHN
MEMBERS PARTICIPATE JOINTLY WITH GROUPS NOT UNDER INVESTIGATION,
REMAINS ON COLLECTING INFORMATION RELEVANT TO THE SCOPE OF THE
ENTERPRISE, AS DESCRIBED IN SECTION III.B.3 OF THE AGG.

IF RENEWAL OF THIS INVESTIGATION IS DESIRED, KNOXVILLE
SHOULD PROVIDE FBIHQ WITH AN LHM REPORTING THE RESULTS OF THE
INVESTIGATION FOR APPROVAL. THE LHM SHOULD BE SUBMITTED TO
ARRIVE AT FBIHQ AT LEAST TWO WEEKS PRIOR TO THE JANUARY 10, 1993,
EXPIRATION DATE.

BT

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DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
COMMUNICATION MESSAGE FORM

PAGE 3

ADMINISTRATIVE NOTE/TICKLER COUNT:

NOTE: THIS TELETYPE AUTHORIZES THE INITIATION OF CAPTIONED INVESTIGATION FOR A 180-DAY PERIOD.

IN ACCORDANCE WITH FBIHQ POLICY REGARDING LEGAL COUNSEL DIVISION {LCD} REVIEW OF COMMUNICATIONS WHICH DEAL IN ANY MANNER WITH FIRST AMENDMENT ISSUES, THIS COMMUNICATION SHOULD BE REVIEWED BY LCD.

Drafted By: TJG:tjg Room/TL #: 5214 Phone No: 4650

COPY DESIGNATIONS:

- 1 - MR. DAVIS {ATTN: MR. WELBY}
- 1 - MR. POTTS
- 1 - MR. COULSON
- 1 - MR. KAHOE

1 -	
1 -	
1 -	
1 -	

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b7C

APPROVED:

Director _____
 Dep. Dir. _____
 ADD-Adm. _____
 ADD-Inv. _____

Adm. Serv. _____
 Crim. Inv. _____
 Ident. _____
 Intell. _____
 Lab. _____
 Legal Coun. _____
 Off. of Liaison & Int. Affs. _____
 Off. of Public Affs. _____

sent to fw

Memorandum



Dep. Dir. _____
 ADD Adm. _____
 ADD Inv. _____
 Asst. Dir.: _____
 Adm. Servs. _____
 Crim. Inv. _____
 Ident. _____
 Info. Mgnt. _____
 Insp. _____
 Intell. _____
 Lab. _____
 Legal Coun. _____
 Tech. Servs. _____
 Training _____
 Cong. Affs. Off. _____
 Off. of EEO _____
 Off. Liaison & _____
 Int. Affs. _____
 Off. of Public Affs. _____
 Telephone Rm. _____
 Director's Office _____

To : Mr. Potts

Date 7/14/92

From : D. O. Coulson

Subject : ORDER OF SAINT JOHN, aka
 SOVEREIGN ORDER OF SAINT JOHN OF JERUSALEM;
 DOMESTIC SECURITY/TERRORISM (DS/T);
 OO: KNOXVILLE

PURPOSE: To request approval for the initiation of a full DS/T investigation regarding captioned organization.

RECOMMENDATIONS: (1) That the Assistant Director, Criminal Investigative Division (CID), approve the initiation of captioned DS/T investigation pursuant to Bureau policy.

APPROVED:

Director _____	Adm. Servs. _____	Laboratory _____	Off. of Liaison _____
Dep. Dir. _____	Crim. Inv. _____	Legal Coun. _____	& Int. Affs. _____
ADD-Adm. _____	Ident. _____	Tech. Servs. _____	Off. of _____
ADD-Inv. _____	Intell. _____	Training _____	Public Affs. _____
		Cong. Affs. Off. _____	
		Off. of EEO _____	

Acton fnd w

(2) That the enclosed teletype, which grants authority to conduct this DS/T investigation, be approved for transmittal.

APPROVED:

Director _____	Adm. Servs. _____	Laboratory _____	Off. of Liaison _____
Dep. Dir. _____	Crim. Inv. _____	Legal Coun. _____	& Int. Affs. _____
ADD-Adm. _____	Ident. _____	Tech. Servs. _____	Off. of _____
ADD-Inv. _____	Intell. _____	Training _____	Public Affs. _____
		Cong. Affs. Off. _____	
		Off. of EEO _____	

Acton fnd w

(3) That the enclosed notification letter to the Attorney General, U.S. Department of Justice, be approved and forwarded.

APPROVED:

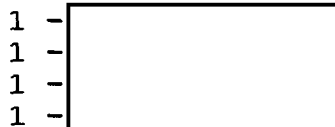
Director _____	Adm. Servs. _____	Laboratory _____	Off. of Liaison _____
Dep. Dir. _____	Crim. Inv. _____	Legal Coun. _____	& Int. Affs. _____
ADD-Adm. _____	Ident. _____	Tech. Servs. _____	Off. of _____
ADD-Inv. _____	Intell. _____	Training _____	Public Affs. _____
		Cong. Affs. Off. _____	
		Off. of EEO _____	

Acton fnd w

Enclosures (2)

1 - Mr. Davis
 (Attn: Mr. Welby)
 1 - Mr. Potts
 1 - Mr. Coulson
 TJG:tjg (9)

1 - Mr. Kahoe



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(CONTINUED-OVER)

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 6-2-99 BY 60267NLS/BCE/DC
 412915

b6
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Memorandum from D. O. Coulson to Mr. Potts
Re: Order of Saint John, aka
Sovereign Order of Saint John of Jerusalem;
Domestic Security/Terrorism (DS/T);
OO: Knoxville

DETAILS: The Order of Saint John (OSJ) is a white supremacist organization based in Benton, Tennessee, and headed by Dr. John Louallen Grady. Grady is also head of the American Pistol and Rifle Association (APRA), which appears to be a "front" organization for the OSJ. It is noted that during the mid-1980s, several members of the terrorist group known as "The Order" were current or former members of APRA.

During a recent preliminary inquiry conducted on the OSJ, it was learned that Grady has been holding meetings with the leaders of other white supremacist organizations in the hopes of forming an alliance among these groups. Grady has indicated that he plans for members of this alliance to commit political assassinations and has instructed his followers to make hit lists of individuals who should be killed. Grady recently mentioned two California legislators who should be assassinated because they had sponsored gun control legislation in California. During a recent meeting between Grady and other white supremacist leaders, an agreement was reached to form six-man teams to commit acts of violence. The group discussed the destruction of communications equipment, such as radio and microwave towers, and nuclear power plants.

Based on the information obtained during the preliminary inquiry of the OSJ, the Domestic Terrorism Unit (DTU), Violent Crimes and Major Offenders Section, believes that the proposed actions of the OSJ meet the threshold set forth in the Attorney General's Guidelines on DS/T investigations. DTU therefore recommends that a full DS/T investigation be authorized regarding the OSJ.

Memorandum



26

To : The Attorney General
Attention: Office of Intelligence
Policy and Review

Date July 14, 1992

From : Assistant Director
Criminal Investigative Division

Subject: ORDER OF SAINT JOHN, aka
SOVEREIGN ORDER OF SAINT JOHN OF JERUSALEM;
DOMESTIC SECURITY/TERRORISM (DS/T);
OO: KNOXVILLE

The Federal Bureau of Investigation is conducting an investigation concerning captioned matter in accordance with the current guidelines for DS/T investigations.

Enclosures:

- X A 180-day progress report
- An annual report
- Current full DS/T investigations

This investigation was approved by the Director, FBI, or the Assistant Director, Criminal Investigative Division.

APPROVED:

Director _____
Dep. Dir. _____
ADD-Adm. _____
ADD-Inv. _____

Adm. Serv. _____

Laboratory _____

Off. of Liaison _____

& Int. Affs. _____

Off. of _____

Public Affs. _____

ADD-Inv. _____

Mail Room

ALL INFORMATION
HEREIN IS UNCL
DATE 6-3-99
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Hand carried 1cc LHM with cover memo to DOJ/OIA
7-22-92

RECEIVED
CRIMINAL
INVESTIGATIVE
FRONT OFFICE

JUL 14 9 16 AM '91

F. B. I.
U. S. DEPT. OF JUSTICE

FEDERAL BUREAU
OF INVESTIGATION

6 AUG 92 02 58Z

RECEIVED
TELETYPE UNIT

0547 MRI 01858

RR RUCNFB

DE FBIKX #0010 2182217

ZNR UUUUU

R 052158Z AUG 92

FM FBI KNOXVILLE (100A-KX-61340) (P)

TO DIRECTOR FBI/ROUTINE/

BT

UNCLAS

CITE: //3370: 4725//

PASS: FBIHQ, CID, CTS, DTU, SSA [REDACTED] ROOM 5214.

SUBJECT: ORDER OF SAINT JOHN, AKA; DOMESTIC
SECURITY/TERRORISM (DS/T); DO:KX.

SUBJECTS SHOULD BE CONSIDERED ARMED AND DANGEROUS.

REFERENCE BUREAU TELETYPE TO BALTIMORE, DATED 7/29/92.

FULL DS/T INVESTIGATION TO BALTIMORE, DATED 7/15/92, TO
EXPIRE ON 1/10/93.

PER REFERENCED TELETYPE THE FOLLOWING NAMES WITH SOCIAL
SECURITY NUMBERS ARE DESIGNATED ATTENDEES OF CONFERENCE TO BE
HELD AT KNOXVILLE:

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 6-3-99 BY 60267NLS/BCE/OC

412915

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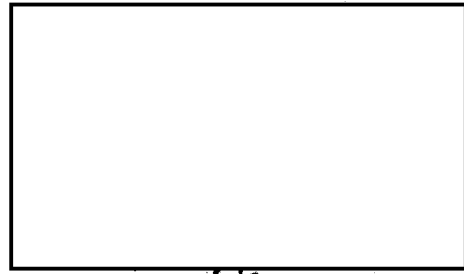
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Tech. Servs.	
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Off. of EEO	
Off. of Liaison & Int. Affs.	
Off. of Public Affs.	
Telephone Rm.	
Director's Office	

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100A-KX-61340

-10



PAGE TWO DE FBIKX 0010 UNCLAS

1. SSRA [REDACTED]

2. SA [REDACTED]

3. SA [REDACTED]

4. SA [REDACTED]

5. SA [REDACTED]

SUBJECTS SHOULD BE CONSIDERED ARMED AND DANGEROUS.

BT

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FEDERAL BUREAU
OF INVESTIGATION

18 AUG 92 03 24Z

RECEIVED
TELETYPE UNIT

0005 MRI 00016

RR RUCNFB FBIBH FBIKX [] FBISA

DE FBILA #0004 2310026

ZNR UUUUU

R 180024Z AUG 92

FM FBI LOS ANGELES (100A-KX-61340) (P)

TO DIRECTOR FBI/ROUTINE/

FBI BIRMINGHAM/ROUTINE/

FBI KNOXVILLE/ROUTINE/

FBI [] ROUTINE/

FBI SAN ANTONIO/ROUTINE/

BT

UNCLAS

CITE: //3410:DT-1//

PASS: FBIHQ, CID, CTS, OTU, SSA [] ROOM 5214;

FBI KNOXVILLE, SA []

(1)
SUBJECT: ORDER OF SAINT JOHN, AKA SOVEREIGN ORDER OF SAINT
JOHN OF JERUSALEM; AMERICAN PISTOL AND RIFLE ASSOCIATION, AKA
AMERICAN PATRIOTIC REVOLUTIONARY ASSOCIATION, APRA; DS/T; OO:
KNOXVILLE.

100A-KX-61340-1

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 6-3-99 BY 60267NLS/PCE/OK
412915

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Crim. Inv.	
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Intell.	
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Legal Coun.	
Tech. Serv.	
Training	
Cong. Affs. Off.	
Off. of EEO	
Off. Liaison & Int. Affs.	
Off. of Public Affs.	
Telephone Rm.	
Director's Office	

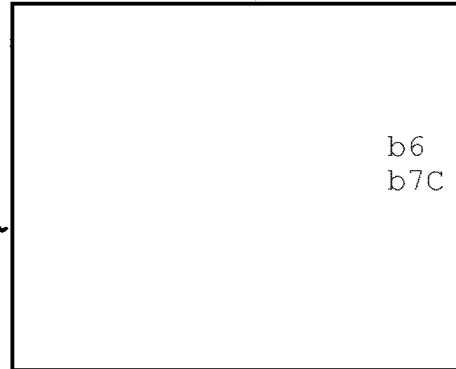
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~~NO~~
~~FROM 5214~~
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7-5211

PAGE TWO DE FBILA 0004 UNCLAS

RE KNOXVILLE TELETYPE TO DIRECTOR, ET AL, DATED JULY 17,
1992.

PURSUANT TO THE ABOVE REFERENCED TELETYPE CONTACT WAS
MADE ON AUGUST 5, 1992, WITH

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LATER ON THE SAME DATE, PERSONALLY
CONTACTED THE LOS ANGELES FIELD OFFICE AND WAS ADVISED AS SET
FORTH ABOVE. SHE WAS PLEASED TO HAVE BEEN NOTIFIED AND

PAGE THREE DE FBILA 0004 UNCLAS

REQUESTED SHE BE NOTIFIED IN THE EVENT ANYTHING OF SUBSTANCE
IS DEVELOPED LATER. NONE OF THESE INDIVIDUALS WERE TOLD THE
NATURE OF ORIGIN OF THE INVESTIGATION NOR OF THE SUBJECTS OR
THEIR CHARACTER.

INVESTIGATION CONTINUES AT LOS ANGELES.

BT

#0004

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FEDERAL BUREAU
OF INVESTIGATION

4 SEP 92 16 50 Z

Dep. Dir.	
ADD Adm.	
ADD Inv.	
Asst. Dir.:	
Adm. Serv.	
Crim. Inv.	
Ident.	
Info. Mgmt.	
Insp.	
Intell.	
Lab.	
Legal Coun.	
Tech. Serv.	
Training	
Cong. Affs. Off.	
Off. of EEO	
Off. Liaison & Int. Affs.	
Off. of Public Affs.	

0015 MRI 00860

00 P12 FBIBH FBIKX FBISA

DE [REDACTED] #0004 2481605

ZNY SSSSS

O 041603Z SEP 92

FM FBI [REDACTED] (100A-KX-61340) (P)

TO DIRECTOR FBI/IMMEDIATE/

FBI BIRMINGHAM/IMMEDIATE/

FBI KNOXVILLE/IMMEDIATE/

FBI SAN ANTONIO/IMMEDIATE/

BT

SECRET

SECTION ONE OF TWO SECTIONS

CITE: //3630//

PASS: FBIHQ, CID, CTS, DTU, SSA [REDACTED] ROOM 5214;

FBI BH, SA [REDACTED] FBI KX, SA [REDACTED]; FBI SA, SA

SUBJECT: ORDER OF ST. JOHN, AKA SOVEREIGN ORDER OF ST. JOHN

OF JERUSALEM; AMERICAN PISTOL AND RIFLE ASSOCIATION, AKA

AMERICAN PATRIOTIC REVOLUTIONARY ASSOCIATION (APRA); PATCON

100A-KX-61340-12

DECLASSIFIED BY 60267NLS/ACE/PC
ON 6-3-99
412915

CALLER
By [Signature] Time 1:30P

RECORDED & INDEXED FILED IN

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PAGE TWO DE [] 0004 S E C R E T

GROUP I UNDERCOVER OPERATION (UCO); DOMESTIC SECURITY/
TERRORISM (DS/T); OO: KNOXVILLE.

SUBJECTS SHOULD BE CONSIDERED ARMED AND DANGEROUS.

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS
ENTIRETY.

GROUP I UCO APPROVED 4/4/91, EXTENDED ON 8/5/92, TO
EXPIRE 2/5/93.

RE [] TELCAL TO SA [] KNOXVILLE DIVISION,
FROM SA [] DIVISION, ON 9/1/92, AND
TELCAL TO SA [] HUNTSVILLE RA, FROM SA [] ON
9/2/92.

DURING REFERENCED TELCAL, SA [] AND SA []
DISCUSSED THE PLANNED CONFERENCE OF THE ORDER OF ST. JOHN TO
BE HELD IN BENTON, TENNESSEE, DURING THE PERIOD 9/28/92
THROUGH 10/3/92. ACCORDING TO [], THIS CONFERENCE IS
TO BE HELD ON THE PROPERTY OF DR. JOHN L. GRADY.

AS RECIPIENT OFFICES ARE AWARE, GRADY HEADS THE ORDER OF
ST. JOHN'S, WHICH IS ALSO KNOWN AS THE APRA. SOURCE ADVISED
THAT AN ATTENDANT AT THIS CONFERENCE WILL BE THE FORMER

[] ALSO ATTENDING THIS
CONFERENCE WILL BE RETIRED []

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PAGE THREE DE [REDACTED] 0004 S E C R E T

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[REDACTED] WAS INSTRUMENTAL IN THE NEGOTIATION IN THE
RECENT SURRENDER OF RANDY WEAVER. WEAVER WAS THE SUBJECT WHO
BARRICADED HIMSELF IN THE SHOOTING INCIDENT IN NAPLE , IDAHO.

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[REDACTED] IS KNOWN AMONG HIS FRIENDS AS [REDACTED] IS

[REDACTED] ALSO ATTENDING THE
MEETING IS [REDACTED] A LEADER IN THE KU KLUX KLAN (KKK).

[REDACTED] ADVISED THAT [REDACTED]

[REDACTED]

APPROXIMATELY 400 TO 500 PEOPLE ARE EXPECTED TO ATTEND THIS
CONFERENCE, WHICH WILL REPRESENT MORE THAN 40 DIFFERENT
GROUPS.

[REDACTED]

PAGE FOUR DE 0004 S E C R E T

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THESE ABOVE CONTACTS WILL BE TO FURTHER GATHER
INTELLIGENCE OF CRIMINAL ACTIVITIES CONCERNING WHITE
SUPREMACIST GROUPS.

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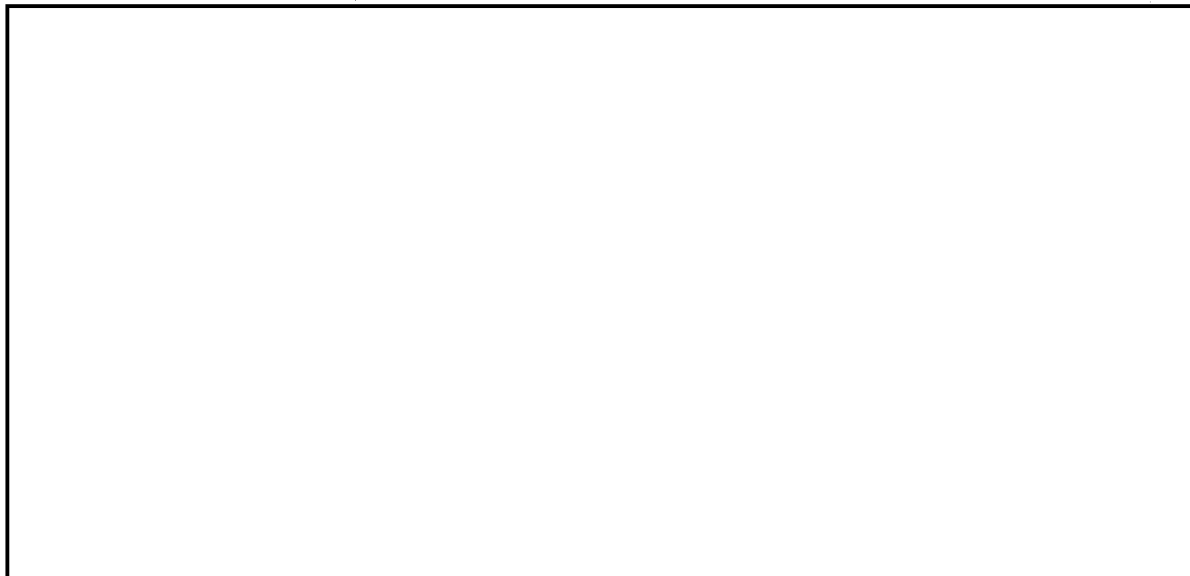
PAGE FIVE DE



0004 S E C R E T

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SOURCE ADVISED HE FEELS



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SOURCE STATED HE BELIEVES



0016 MRI 00861

DD P12 FBIBH FBIKX FBISA

DE [REDACTED] #0005 2481606

ZNY SSSSS

O 041603Z SEP 92

FM FBI [REDACTED] (100A-KX-61340) (P)

TO DIRECTOR FBI/IMMEDIATE/

FBI BIRMINGHAM/IMMEDIATE/

FBI KNOXVILLE/IMMEDIATE/

FBI SAN ANTONIO/IMMEDIATE/

BT

~~SECRET~~

SECTION TWO OF TWO SECTIONS

CITE: //3630//

PASS: FBIHQ, CID, CTS, DTU, SSA [REDACTED], ROOM 5214;

FBI BH, SA [REDACTED] FBI KX, SA [REDACTED] FBI SA, SA

SUBJECT: ORDER OF ST. JOHN, AKA SOVEREIGN ORDER OF ST. JOHN
OF JERUSALEM; AMERICAN PISTOL AND RIFLE ASSOCIATION, AKA
AMERICAN PATRIOTIC REVOLUTIONARY ASSOCIATION (APRA); PATCON;

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PAGE THREE DE [] 0005 S E ~~C~~ R E T

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BIRMINGHAM DIVISION AT HUNTSVILLE, ALABAMA: DETERMINE BY
REVIEW OF PEN REGISTER IF ON [] THERE WERE ANY CALLS
FROM [] TO ANY NUMBER IN TENNESSEE. IF SUCH
NUMBERS DO EXIST, SET OUT APPROPRIATE LEAD TO KNOXVILLE,
TENNESSEE.

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PAGE FOUR DE [] 0005 ~~S E C R E T~~

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KNOXVILLE DIVISION AT KNOXVILLE, TENNESSEE: OBTAIN SAC
APPROVAL FOR THE TRAVEL OF [] TO KNOXVILLE DIVISION TO

[]
[]
SAN ANTONIO DIVISION AT SAN ANTONIO, TEXAS: OBTAIN SAC
APPROVAL FOR [] TO TRAVEL TO AUSTIN, TEXAS DURING THE
PERIOD [] FOR REASONS NOTED ABOVE.

SUBJECTS SHOULD BE CONSIDERED ARMED AND DANGEROUS.

CLASSIFIED BY ~~G-3~~; DECLASSIFY ON: OADR.

BT

#0005

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RECEIVED
TELETYPE UNIT

0450 MRI 01669

2 OCT 92 05 54

PP RUCNFB FBIBA FBIBH [REDACTED] FBISA

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DE FBIKX #0003 2752354

ZNR UUUUU

P 012237Z OCT 92

FM FBI KNOXVILLE (100A-KX-61340) (P)

TO DIRECTOR FBI/PRIORITY/

FBI BALTIMORE/ROUTINE/

FBI BIRMINGHAM/ROUTINE/

FBI [REDACTED] PRIORITY/

FBI SAN ANTONIO (52B-SA-38017) (WRA)/PRIORITY/

BT

UNCLAS

SECTION ONE OF TWO SECTIONS

CITE: //3370: 4725//

PASS: FBIHQ, CID, CTS, DTU, SA [REDACTED] ROOM 5214;

BALTIMORE, SA [REDACTED] SMMRA; [REDACTED] SA [REDACTED]

SAN ANTONIO, SA [REDACTED] - WRA: SA [REDACTED] -ARA.

SUBJECT: PATCON; GROUP I UNDERCOVER OPERATION (UCO); DOMESTIC
SECURITY/TERRORISM (DS/T); OO: KX.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 6-2-99 BY 60261NL9 BCE/DC

4/29/15

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PAGE TWO DE FBIKX 0003 UNCLAS

SUBJECTS SHOULD BE CONSIDERED ARMED AND DANGEROUS.

RE KNOXVILLE TELETYPE TO BUREAU, 9/22/92, AND SAN ANTONIO
AIRTEL TO BUREAU, 8/27/92.

GROUP I UCD APPROVED 4/4/91, EXTENDED ON 8/5/92, TO
EXPIRE 2/5/93.

ON 9/23/92, CONTACT MADE WITH [REDACTED]

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[REDACTED]
[REDACTED] THE AMERICAN PISTOL AND RIFLE
ASSOCIATION (APRA) ANNUAL CONFERENCE, WHICH WAS CALLED APRA
RENDEZVOUS AND NATIONAL FREEDOM CONFERENCE SLATED FROM 9/23/92
TO 10/2/92. SOURCE ADVISED [REDACTED]

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PAGE THREE DE FBIKX 0003 UNCLAS

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SOURCE LEARNED THAT [REDACTED]

ON 9/30/92, PATCON UCA ARRIVED GRADY'S COMPOUND
APPROXIMATELY 3:15 P.M. AND WAS GREETED AT ENTRANCE BY GUARD
DRESSED IN CAMOUFLAGE UNIFORM, WEARING APRA HAT AND ARMED WITH
SHOTGUN AND SEMI-AUTOMATIC PISTOL. IT COST \$5.00 TO REGISTER
FOR THE DAY. [REDACTED]

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PAGE FOUR DE FBTKX 0003 UNCLAS

[REDACTED] WHO WAS

DESCRIBED AS WHITE MALE, 50'S, GRAY HAIR, GLASSES, 6'6", 260 POUNDS, STOCKY BUILD AND RED COMPLEXION. GRADY LATER INTRODUCED [REDACTED] TO THOSE IN ATTENDANCE AT THE SPEECH GIVEN BY [REDACTED] AS BEING THE PERSON RESPONSIBLE FOR SECURITY. PATCON UCA OBSERVED SECURITY GUARDS DRESSED IN CAMOUFLAGE UTILITIES AND ARMED WITH SEMI-AUTOMATIC PISTOLS PATROLLING THE COMPOUND. BEFORE THE PRESS ARRIVED TO COVER SPEECH BY [REDACTED] EVERYONE WAS TOLD TO NOT DISPLAY UNIFORMS OR WEAPONS SO AS NOT TO GIVE THE APPEARANCE OF AN ARMED CAMP.

PATCON UCA, [REDACTED] WENT TO TRAINING AREA OF APRA DURING AFTERNOON AND PATCON UCA OBSERVED ADULTS AND SOME KIDS FIRING AT ONE OF PISTOL RANGES. PATCON UCA ALSO OBSERVED RIFLE RANGE AND SHOTGUN COURSE AND COMBAT COURSE.

AN ATTEMPT BY PATCON UCA TO MEET [REDACTED] BEFORE HIS

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PAGE FIVE DE FBIKX 0003 UNCLAS

SPEECH WAS NEGATIVE AS [] WAS ASLEEP IN GUEST HOUSE AT COMPOUND, AND AFTER SPEECH, THERE WERE TOO MANY PEOPLE AROUND [] AND GRADY TO MEET [] AND ENGAGE IN ANY MEANINGFUL CONVERSATION WITH [] OR GRADY. PRIOR TO SPEECH, GRADY AND [] WERE OBSERVED TO GO INTO CHURCH LIBRARY AND MEET FOR APPROXIMATELY THIRTY MINUTES. AFTER THAT, GRADY INTRODUCED SOME OF THOSE IN ATTENDANCE TO INCLUDE: 1) [] OF CIVILIAN MATERIAL ASSISTANCE; 2) [] ONE OF CONFERENCE SPEAKERS; 3) [] A CONFERENCE SPEAKER ON POW/MIA'S; 4) [] [] AND A GUEST SPEAKER AND 5) []

[] SPOKE FOR APPROXIMATELY TWO HOURS AND AMONG AREAS SPOKEN OF WERE THE FOLLOWING: 1) THE WEAVER INCIDENT IN IDAHO IN WHICH [] BASICALLY DESCRIBED WHAT HAD HAPPENED, AND EVIDENTLY IN REFERENCE TO HKT, STATED THE FBI HAD SOME SPECIALLY TRAINED AGENTS THERE WHO WERE VERY GOOD AND THAT FBI WAS ONLY FOLLOWING ORDERS FROM WASHINGTON, D.C.; 2) THE NEW WORLD ORDER AND THAT UNITED NATIONS TROOPS SHOULD NOT TRAIN ON UNITED STATES SOIL SUCH AS AT FORT DIX, NEW JERSEY; 3) HOW THE NEWS MEDIA CONTROLS EVERYTHING AND THAT THE MEDIA IS

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PAGE SIX DE FBIKX 0003 UNCLAS

CONTROLLED BY THE BANKING SYSTEM; 4) EVERYONE SHOULD BE PREPARED AND WEAPONS AND FOOD STOCKPILED. AT THE END OF THE SPEECH ATTENDED BY APPROXIMATELY 150 PEOPLE, [] HAD EVERYONE STAND AND HE ADMINISTERED THE OATH OF ALLEGIANCE TO THOSE PRESENT.

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AFTER [] SPEECH, PATCON UCA WENT WITH [] TO [] VEHICLE FROM WHICH [] PRODUCED THE FIVE NIGHT VISION BINOCULARS (NVB). PATCON UCA TESTED THEM, FOUND THEY WORKED EXTREMELY WELL AND GAVE [] WHICH [] PUT IN HIS POCKET. WHEN ASKED ABOUT ORIGIN OF DEVICES, [] SKIRTED ISSUE AND IMPLIED THEY CAME FROM THE "BLACK MARKET." [] ALSO SAID [] MIGHT HAVE MORE OF THE DEVICES IN ABOUT A WEEK. [] ALSO AGAIN TOLD PATCON UCA ABOUT AVAILABILITY OF 50 ONE-POUND BLOCKS OF TNT, WHICH [] WOULD CHECK TO SEE IF IT WAS GOOD. [] SAID THE BLASTING CAPS LOOKED ALRIGHT AND THAT THE PERSON WHO HAD TNT MIGHT ALSO HAVE C-4 EXPLOSIVES FOR SALE AS WELL. [] WILL CHECK OUT AND ADVISE PATCON UCA.

BT

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0451 MRI 01670

PP RUCNFB FBIBA FBIBH [REDACTED] FBISA

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DE FBIKX #0004 2752354

ZNR UUUUU

P 012237Z OCT 92

FM FBI KNOXVILLE (100A-KX-61340) (P)

TO DIRECTOR FBI/PRIORITY/

FBI BALTIMORE/ROUTINE/

FBI BIRMINGHAM/ROUTINE/

FBI [REDACTED] PRIORITY/

FBI SAN ANTONIO (52B-SA-38017) (WRA)/PRIORITY/

BT

UNCLAS

SECTION TWO OF TWO SECTIONS

CITE: //3370: 4725//

PASS: FBIHQ, CID, CTS, DTU, SSA [REDACTED] ROOM 5214;

BALTIMORE, SA [REDACTED] - SMMRA; [REDACTED] SA [REDACTED]

SAN ANTONIO, SA [REDACTED] - WRA; SA [REDACTED] -ARA.

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SUBJECT: PATCON; GROUP I UNDERCOVER OPERATION (UCO); DOMESTIC
SECURITY/TERRORISM (DS/T); OO: KX.

PAGE TWO DE FBIKX 0004 UNCLAS

TEXT CONTINUES:

PATCON UCA THEN LEFT COMPOUND, TRAVELED TO CHATTANOOGA WHERE THE BINOCULARS WERE TURNED OVER TO KNOXVILLE CASE AGENT. A CHECK OF THE NVB'S DETERMINED THE FOLLOWING: 1) ALL WERE IN GREEN, CANVAS CASES; 2) ALL HAD SERIAL NUMBERS (WHICH HAD BEEN STICKERS) REMOVED; 3) ALL FIVE BAGS HAD WHAT APPEARED TO BE THE SERIAL NUMBERS PRINTED ON THE OPENING FLAP; 4) SERIAL NUMBERS ON BAGS WERE: A) 86091A, B) 86011A, C) 06273, D) 007971, E) 06218. (IT IS NOTED THAT ALL FIVE OF ABOVE NUMBERS APPEAR ON THE LIST OF SERIAL NUMBERS OF GOGGLES STOLEN FROM FORT HOOD, TEXAS, PER REFERENCED SAN ANTONIO AIRTEL TO BUREAU); 5) STAMPED ON FRONT OF EACH BAG IS AN/PVS-7B, NIGHT VISION GOGGLE; 6) THREE OF BAGS HAVE PRINTED IN BLUE PAINT ON FRONT HQ 333, HQ 335 AND HQ 339 RESPECTIVELY. EVEN WITHOUT SERIAL NUMBERS, IT APPEARS THESE GOGGLES ARE PART OF FORT HOOD THEFT. PATCON UCA WAS ONLY ABLE TO ASCERTAIN ORIGIN OF GOGGLES AS FROM [REDACTED].

REQUEST OF BUREAU:

BUREAU IS REQUESTED TO ADVISE IF FURTHER AUTHORIZATION GIVEN TO USE FUNDS FROM PATCON UCO BUDGETED FOR PURCHASE OF [REDACTED]

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PAGE THREE DE FBIKX 0004 UNCLAS

BECOME AVAILABLE.

[] DIVISION SHOULD CONSIDER CASE AGENT, SA []
[] FOR [] TRAVELING TO KNOXVILLE DIVISION AT
[] TO BE AVAILABLE FOR FIRST-HAND
DEBRIEFING OF SOURCE AND TO BE INVOLVED IN FUTURE PLANNING FOR
UTILIZATION OF SOURCE IN PATCON UCO. IT IS FELT SA []
PARTICIPATION WOULD BE BENEFICIAL TO INVESTIGATION.

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SAN ANTONIO DIVISION AT FORT HOOD, TEXAS.

WITHOUT REVEALING TO ARMY AUTHORITIES THAT FIVE OF
GOGGLES FROM THEIR THEFT HAVE BEEN RECOVERED, DETERMINE IF
SERIAL NUMBERS OF GOGGLES WERE PLACED ON THE OPENING FLAP OF
THE CASES. ALSO ATTEMPT TO LEARN OF THERE ARE ANY OTHER
NUMBERS LOCATED ON THE GOGGLES ANYWHERE THAT COULD BE LINKED
TO SERIAL NUMBERS.

KNOXVILLE DIVISION AT CLEVELAND, TENNESSEE.

WILL NOT ENTER SERIAL NUMBERS OF NIGHT VISION GOGGLES
INTO NCIC UNTIL IT IS CONSIDERED APPROPRIATE, SO AS NOT TO
JEOPARDIZE ONGOING INVESTIGATION. WILL FURNISH COPIES OF
DETAILED DEBRIEFINGS OF PATCON UCA AND [] TO RECEIVING
OFFICES UNDER SEPARATE COVER.

b7D

PAGE FOUR DE FBIKX 0004 UNCLAS

INVESTIGATION CONTINUES.

ADMINISTRATIVE:

PATCON UCA REFERRED TO IS SA BALTIMORE

DIVISION - SMMRA.

SUBJECTS SHOULD BE CONSIDERED ARMED AND DANGEROUS.

BT

#0004

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FEDERAL BUREAU
OF INVESTIGATION

3 DEC 92

RECEIVED
TELETYPE UNIT

140334

Dep. Dir.	
ADD Adm.	
ADD Inv.	
Asst. Dir.:	
Adm. Servs.	
Crim. Inv.	
Ident.	
Info. Mgmt.	
Insp.	
Intell.	
Lab.	
Legal Coun.	
Tech. Servs.	
Training	
Off. of Cong. & Public Affs.	
Off. of Liaison & Int. Affs.	
Off. of Public Affs.	
Off. of Records Mgmt.	
Off. of the Director	

0414 MRI 01553

PP RUCNFB [REDACTED]

DE FBIKX #0012 3372125

ZNR UUUUU

P 022124Z DEC 92

FM FBI KNOXVILLE (100A-KX-61340) (P)

TO DIRECTOR FBI/PRIORITY/

FBI [REDACTED] PRIORITY/

BT

UNCLAS

CITE: //3370: 4725//

PASS: FBIHQ, CID, CTS, SS [REDACTED]

SA [REDACTED]

SUBJECT: ORDER OF SAINT JOHN (OSJ), AKA; DOMESTIC
SECURITY/TERRORISM (DS/T); OO: KX.

SUBJECTS SHOULD BE CONSIDERED ARMED AND DANGEROUS.

RE TELCALLS OF SA [REDACTED], KNOXVILLE
DIVISION, CLEVELAND RA, TO SA [REDACTED] DIVISION,
12/1/92, AND 12/2/92.

FULL FIELD INVESTIGATION AUTHORIZED 7/15/92, TO EXPIRE ON

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED

DATE 6-3-99 BY 60262WLS/RC/DC
412915

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PAGE TWO DE FBIKX 0012 UNCLAS

1/10/93

ON

SA

ADVISED HE HAD HAD

CONVERSATION WITH [REDACTED] ON INSTANT DATE AND SOURCE

ADVISED HE HAD JUST RECENTLY TALKED TO JOHN L. GRADY, HEAD OF
CAPTIONED OSJ IN BENTON, TENNESSEE. IN MAINTAINING CONTACT

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[REDACTED]

IN LIGHT OF CURRENT UNAVAILABILITY OF PATCON UCA, IT IS
FELT BY KNOXVILLE THAT CONTACT BETWEEN SOURCE AND GRADY WOULD
ALLOW EXCELLENT OPPORTUNITY FOR CONTINUING CONTACT AND
INTELLIGENCE GATHERING RE OSJ, ESPECIALLY AS FOLLOW-UP TO WORK
DONE BY [REDACTED] AND TO SET UP
FUTURE OPPORTUNITIES TO TRACK ACTIVITIES OF GRADY AND OSJ.

b7D

[REDACTED] DIVISION: SAC CONCURRENCE IS REQUESTED TO ALLOW
[REDACTED] TO TRAVEL TO KNOXVILLE DIVISION AROUND TIME OF
[REDACTED]

KNOXVILLE DIVISION AT CLEVELAND, TENNESSEE.

PAGE THREE DE FBIKX 0012 UNCLAS

INVESTIGATION CONTINUES.

SUBJECTS SHOULD BE CONSIDERED ARMED AND DANGEROUS.

BT

#0012

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DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
COMMUNICATION MESSAGE FORM

495
403

TRANSMIT VIA:

☒ Teletype

DATE: 12/10/92

^PAGE 1 OF 2

PRECEDENCE:

☐ Immediate☐ Priority☒ Routine

CLASSIFICATION:

☐ TOP SECRET☐ SECRET☐ CONFIDENTIAL☐ UNCLAS E F T O☒ UNCLAS

FM DIRECTOR FBI

TO FBI KNOXVILLE (100A-KX-61340)/ROUTINE/

BT

UNCLAS

CITE: //0652//

SUBJECT: ORDER OF SAINT JOHN; AKA SOVEREIGN ORDER OF SAINT JOHN
OF JERUSALEM; DOMESTIC SECURITY/TERRORISM (DS/T); OO: KNOXVILLE.

FULL INVESTIGATION AUTHORIZED ON 7/15/92, TO EXPIRE ON
1/10/93.

KNOXVILLE IS REMINDED THAT PURSUANT TO REPORTING GUIDELINES,
THE 180-DAY/SUMMARY/AIRTEL/LHM PERTAINING TO RENEWAL OF CAPTIONED
MATTER IS DUE AT FBIHQ BY CLOSE OF BUSINESS 12/23/92. IF
KNOXVILLE DESIRES A RENEWAL OF THIS INVESTIGATION, AN AIRTEL AND
LHM MUST BE SUBMITTED CONTAINING THE DETAILS OF THIS
INVESTIGATION AND JUSTIFICATION FOR ITS RENEWAL.

100A-KX-61340-15

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED

DATE 6-5-99 BY 60267NLS/BCE/06

412915

***** FOR COMM CENTER USE ONLY *****

NOTE: Copy Designations Are On The Last Page Of This Teletype!!!

Approved By

MRI/JUL

Transmitted

ISN

1360/346
0318 DEC 12 1992

75

DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
COMMUNICATION MESSAGE FORM

^PAGE 2 UNCLAS

BT

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DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
COMMUNICATION MESSAGE FORM

PAGE 3

ADMINISTRATIVE NOTE/TICKLER COUNT:

NOTE: THIS TELETYPE REMINDS KNOXVILLE THAT THEIR INVESTIGATION
OF ORDER OF ST. JOHN OF JERUSALEM IS DUE TO EXPIRE ON 1/10/93.

Drafted By: WJ:SPB Room/TL #: 5214 Phone No: 4650

COPY DESIGNATIONS:

1 -
1 -
1 -
1 -



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TELETYPE UNIT

28 JAN 93 12 24Z

FEDERAL BUREAU
OF INVESTIGATION

421
437

Dep. Dir.	b7D
ADD Adm.	
ADD Inv.	
Asst. Dir.:	
Adm. Serv.	
Crim. Inv.	
Ident.	
Info. Mgmt.	
Insp.	
Intell.	
Liaison	
Legal Coun.	
Plan. & Eval.	
Rec. Mgmt.	
Off. of Cong. & Public Affs.	
Off. of Int. Affs.	
Telephone Rm.	
Director's Office	

0229 MRI 01126

RR RUCNFB FBIBH FBIKX [] FBISA

DE FBILA #0036 0281900

ZNR UUUUU

R 281859Z JAN 93

FM FBI LOS ANGELES (100A-KX-61340) (RUC)

TU DIRECTOR FBI/ROUTINE/

FBI BIRMINGHAM/ROUTINE/

FBI KNOXVILLE/ROUTINE/

FBI [] ROUTINE/

FBI SAN ANTONIO/ROUTINE/

BT

UNCLAS

CITE: //3410:DT-1//

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 6-2-99 BY 60267ALS/BCE/06
4/29/15

b6
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PASS: FBIHQ, DTU, VCMOS, CID, SSA [] ROOM 5214;

FBI KNOXVILLE, SA []

SUBJECT: ORDER OF SAINT JOHN, AKA SOVEREIGN ORDER OF SAINT
JOHN OF JERUSALEM; AMERICAN PISTOL AND RIFLE ASSOCIATION, AKA
AMERICAN PATRIOTIC REVOLUTIONARY ASSOCIATION, APRA; DS/T; DO:
KNOXVILLE.

100A-KX-61340-16



5217

PAGE TWO DE FBILA 0036 UNCLAS

RE LOS ANGELES TELETYPE TO RECEIVING OFFICES DATED AUGUST
14, 1992.

REFERENCED TELETYPE INDICATED THAT LOS ANGELES FIELD

OFFICE NOTIFIED

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LOS ANGELES FIELD OFFICE HAS ESTABLISHED LIAISON WITH

AND WILL PROVIDE ANY POSITIVE INFORMATION TO RECEIVING
OFFICES.

SINCE NO OUTSTANDING INVESTIGATION REMAINS, LOS ANGELES
IS PLACING THIS MATTER INTO RUC STATUS.

BT

#0036

NNNN

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 12/21/92

TO : DIRECTOR, FBI
 ATTN: CID, DTS, DTU - SSA

FROM : SAC, KNOXVILLE (100A-KX-61340) (P)

SUBJECT : ORDER OF ST. JOHN, aka;
 DOMESTIC SECURITY/TERRORISM (DS/T);
 OO: KX

b6
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The Bureau is requested to renew the full field investigation for a 180 day period beginning 1/10/92 in captioned matter.

Re Knoxville airtel with LHM to Bureau dated 7/1/92 and Bureau teletype to Knoxville dated 12/11/92.

Enclosed for the Bureau are the original and three copies of an LHM setting forth investigation of captioned group during the past 180 day period.

Full field investigation authorized on 7/16/92, to expire on 1/10/92.

100A-KX-61340-17

SUBJECTS SHOULD BE CONSIDERED ARMED AND DANGEROUS.

12
 (13) - Bureau (Enc. 4)
 3 - Knoxville
 JDJ/bdp
 (6)

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 6-3-99 BY 60267NLS/BCE/DB

412915

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Approved: _____ Transmitted _____
 (Number) (Time)

Per

Hand carried 1cc LHM with Cover Memo to DOJ/OIPR k40TW
 1-19-93 mailroom

100A-KX-61340

ADMINISTRATIVE:

The PATCON UCA referred to in the enclosed LHM is
Special Agent [REDACTED] Baltimore Division.

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[REDACTED] The CS referred to in the enclosed LHM is [REDACTED]

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SUBJECTS SHOULD BE CONSIDERED ARMED AND DANGEROUS.

U.S. Department of Justice



Federal Bureau of Investigation

In Reply, Please Refer to
File No.

710 Locust Street
Knoxville, Tennessee 37902

December 21, 1992

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 6-3-99 BY 60267NLS/PCENDG
412915

ORDER OF SAINT JOHN, also known as
Sovereign Order of Saint John of Jerusalem;
Domestic Security/Terrorism

This case was predicated upon information received that the Order of Saint John (OSJ), through the head of the organization, John L. Grady, M. D. and another organization headed by Grady, the American Pistol and Rifle Association (APRA), also known as the American Patriotic Revolutionary Association, had presented a reasonable indication of furthering political and social goals by the use of force or violation of the criminal laws of the United States. The groups are motivated by a belief in white supremacy and a distrust of and lack of confidence in the government of the United States. The OSJ is a group in which membership is by invitation and is very limited and appears to be anti-Semitic in belief. A confidential source (CS) of the FBI has advised of a meeting at the OSJ compound in Benton, Tennessee on [redacted]

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100-34-17

As much of the information obtained by Knoxville in the investigation of the OSJ was obtained from the CS and through San Antonio investigation, "PATCON; GROUP I UNDERCOVER OPERATION (UCO)", (100A-SA-35711), it was felt that utilization of the PATCON UCA and the CS would be of invaluable assistance in conducting the investigation of the OSJ. It was planned for the

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[REDACTED]
[REDACTED]
[REDACTED] of CMA told PATCON UCA of the possibility of four Stinger missiles being available for sale and efforts were directed toward that until [REDACTED] backed out of the deal stating the missiles had been sold elsewhere.

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It was determined that APRA would be holding its annual conference to be called the "13th Annual APRA Rendezvous and National Freedom Conference" from September 28, 1992 to October 2, 1992 with the Special Guest Speaker to be [REDACTED] retired [REDACTED] Other speakers were Grady: [REDACTED] President, Prisoners of War Foundation; [REDACTED] Chairman, Citizens for Constitutional Property Rights; [REDACTED] President, National Justice Foundation, speaking on "Tyranny vs. the People". Firearms instruction was to be held by [REDACTED] [REDACTED] APRA Firearms Academy. The meeting advertised five days of comprehensive firearms training, information sessions and educational videos as well as to learn about the New World Order, the truth about POW's and what the nation's leaders have in mind and how to turn it around.

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[REDACTED]
UCA, who allegedly [REDACTED] was asked by Grady what the UCA wanted and was told that the UCA was told of Grady's alliance and wanted to join.

Grady told the UCA that he had been in the business 25 years trying to form an alliance and welcomed the UCA and his group to join Grady through APRA saying there were numerous APRA groups located around the country and that membership was secretive. These units should be prepared to take over small Post Offices and do acts of violence such as blowing up microwave towers and that each group should have their own plans on what to do. Grady also brought up to the UCA that Grady was looking for "goodies you couldn't buy on the open market" which UCA understood to be weapons.

The Randy Weaver incident that had recently occurred in Idaho was brought up. Grady said agents and informants should be dealt with (eliminated); that this was the way to deal with them and discourage their infiltration of the movement. Grady also talked about trying to get credible citizens such as doctors and lawyers to join APRA to spread the word so citizens would pay attention. Grady then asked UCA if UCA was coming to the conference.

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[REDACTED] the training area owned by Grady (approximately 190 acres) about 10 minutes west of Grady's compound in Benton, Tennessee. There are two pistol ranges, a rifle range and two combat ranges located on the property. Everyday of the conference, firearms training was conducted for APRA members to include a live-fire assault conducted on the rifle range during one of the sessions. The firearms training was conducted by [REDACTED]

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[REDACTED] Of interest is that after APRA members concluded their training is that the OSJ members would stay and conduct firearms training using targets depicting police officers and black and white police vehicles. [REDACTED]

[REDACTED] was overheard to say that he hated the police. There were sales of weapons and ammunition and related equipment that was conducted during the conference, although allegedly only legal weapons were allowed at the conference.

Security during the conference was tight with a security checkpoint at the entrance to the compound and OSJ members in camouflaged utilities carrying semi-automatic pistols in shoulder holsters on foot patrolled around the compound. When the news media showed for the speech by [redacted] it was announced for no one to be seen with any weapons.

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[redacted] spoke on Wednesday evening, September 30, 1992. [redacted] gave an account of the Weaver incident in Idaho and how Weaver had been persecuted for gun sales. [redacted] spoke about the large numbers of agents and military police at the incident and about a group of FBI agents who make entries and do hostage situations saying that they were good! [redacted] said the FBI agents were basically guys only following orders from Washington. [redacted] basically passed himself off as the "savior of the incident", preventing an all out assault on the house. [redacted] spoke of other areas such as the New World Order and not allowing United Nations troops on U. S. soil. He also spoke of how the media manipulates everything and that the banking system controls the media.

After the speech, PATCON UCA purchased five pairs of night vision goggles (NVG's) from [redacted] at the compound. The NVG's were determined to be from a theft at Ft. Hood, Texas on the last weekend in July 1992. [redacted] also discussed obtaining 50 pounds of TNT and possibly some C-4 military explosives to sell to UCA.

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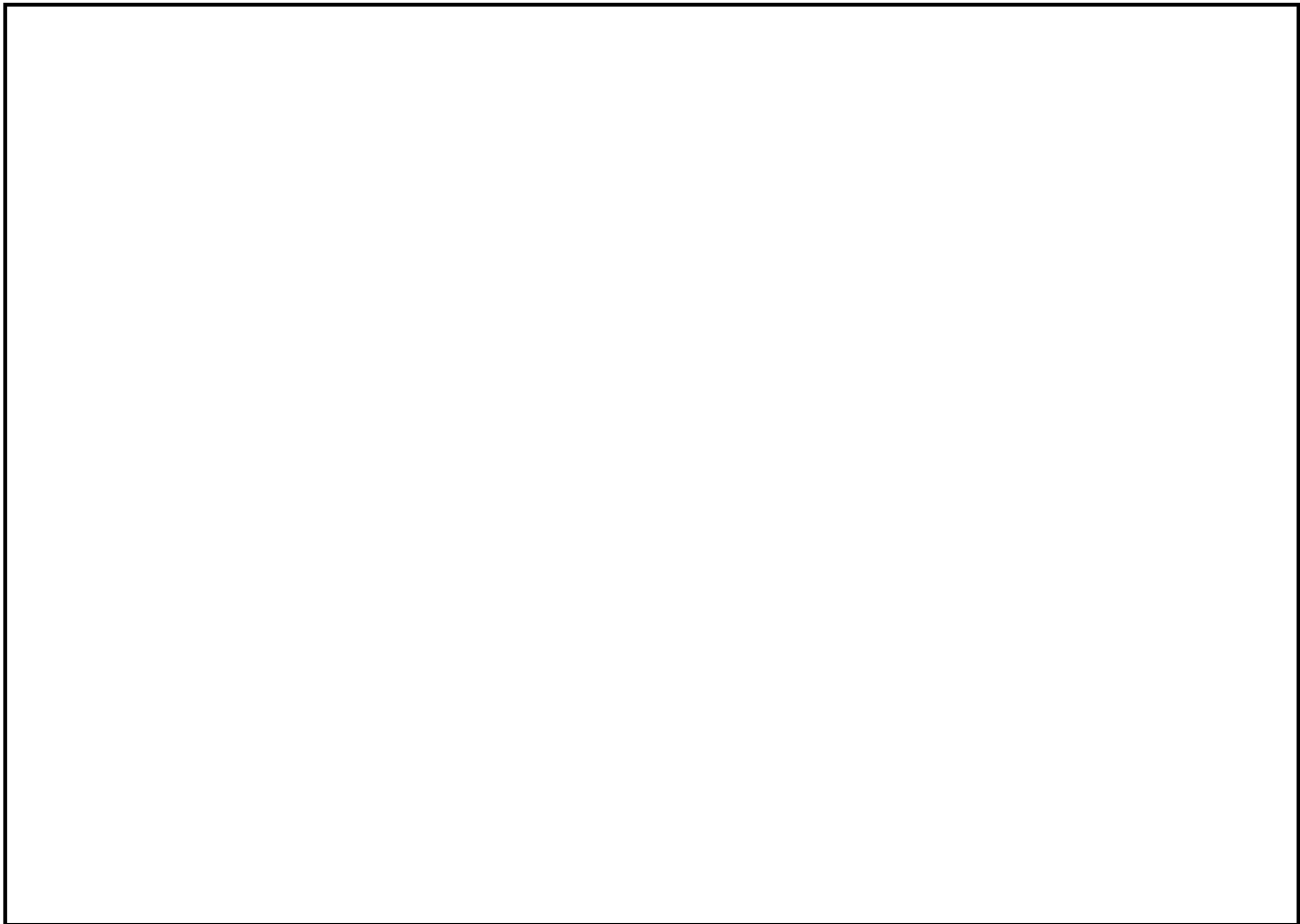
The CS was able to determine that in addition to the concrete basement or bunker located under the library of the church on the compound that there are bunkers under Grady's residence and the guest house located on the compound. The CS was able to get some photographs of some of the areas; one showing large, plastic sealed buckets containing survival food. Knoxville has also taken aerial photographs of the main compound and training area, showing the facilities and ranges mentioned.

At Grady's closing speech on Friday night, October 2, 1992, he spoke about abortion, homosexuals, Blacks and Jews and about how all of the above were destroying our country. Grady also spoke about the Weaver incident and Gordon Kohl and how those killed had been murdered by the government. Grady said someone would have to pay the price for what happened to Weaver's wife. Grady said he would rather die a martyr than go to jail and that a person was better off to take out as many people as they could than to be arrested and taken to jail.

The CS was able to learn the names of APRA and OSJ members who attended the conference from California, Texas, Florida, Georgia, Alabama, Kentucky, Ohio, Indiana, Vermont, Kansas, Maryland and Tennessee, which demonstrates the sphere of influence that Grady exerts within the white supremacy movement.

There were anywhere between 150 - 200 people present at any one time at the conference.

On October 23, 1992, Knoxville obtained a copy of Grady's service record which shows John Louellean Grady, Lt. J. G., USNR, was medically retired on January 7, 1955 at 30% disability. Grady was born November 24, 1930 in Graettinger, Iowa and attended Creighton University, Omaha, Nebraska from September 1948 through June 1950 and lettered two years in basketball. While in the Navy, Grady was a Naval aviator in jets.



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In addition to the above investigation, a Court Order was obtained and a pen register was set up for [REDACTED]. A review of [REDACTED] calls determine calls have been made all over the United States and leads will be set to determine subscriber information. Knoxville is also developing identification and background information on alleged APRA and OSJ members in addition to maintaining contact with other divisions where information may be developed regarding the OSJ.

b3

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DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
COMMUNICATION MESSAGE FORM

TRANSMIT VIA:

☒ Teletype

DATE: 1/8/93

^PAGE 1 OF 2

PRECEDENCE:

☐ Immediate☐ Priority☒ Routine

CLASSIFICATION:

☐ TOP SECRET☐ SECRET☐ CONFIDENTIAL☐ UNCLAS E F T O☒ UNCLAS

FM DIRECTOR FBI

TO FBI KNOXVILLE (100A-KX-61340)/ROUTINE/

BT

UNCLAS

CITE: //0652//

SUBJECT: ORDER OF SAINT JOHN, AKA SOVEREIGN ORDER OF SAINT JOHN
OF JERUSALEM; DOMESTIC SECURITY/TERRORISM (DS/T); OO: KNOXVILLE.

REFERENCE KNOXVILLE AIRTEL, WITH LETTERHEAD MEMORANDUM
(LHM), DATED DECEMBER 21, 1992.

FULL DS/T INVESTIGATION AUTHORIZED ON JULY 15, 1992, TO
EXPIRE ON JANUARY 10, 1993, EXTENDED TO JULY 9, 1993.

KNOXVILLE SHOULD REFER TO THE ATTORNEY GENERAL'S GUIDELINES
(AGG) ON DS/T INVESTIGATIONS AND THE MANUAL OF INVESTIGATIVE
OPERATIONS AND GUIDELINES (MIOG), PART I, SECTION 100, FOR
GUIDANCE IN REPORTING THE RESULTS OF THIS INVESTIGATION, NOTING

-18

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 6-3-99 BY 60267NLS/BCE/OL
412915

***** FOR COMM CENTER USE ONLY *****

NOTE: Copy Designations Are On The Last Page Of This Teletype!!!

Approved By

MRI/JUL

Transmitted

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RECEIVED TELETYPE

19 JAN 93 17 23Z

JAN 14 4 15 PM '93

RECEIVED
CRIMINAL
INVESTIGATIVE
DIVISION
ASSISTANT DIRECTOR

RECEIVED
TELETYPE

TO DIRECTOR
FROM SAC, NEW YORK
SUBJECT: [illegible]
[illegible]

DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
COMMUNICATION MESSAGE FORM

^PAGE 2 UNCLAS

THAT RENEWAL AUTHORITY IS NEEDED TO CONDUCT THIS INVESTIGATION
BEYOND JULY 9, 1993.

AS KNOXVILLE IS AWARE, SECTION III.B.1.C OF THE AGG
AUTHORIZES THE COLLECTION OF INFORMATION ABOUT PUBLIC
DEMONSTRATIONS AND MEETINGS BY DOMESTIC TERRORISM ENTERPRISES,
SUCH AS THE ORDER OF SAINT JOHN, WHICH ARE UNDER ACTIVE
INVESTIGATION. KNOXVILLE SHOULD ENSURE THAT COVERAGE OF PUBLIC
ACTIVITIES, PARTICULARLY THOSE IN WHICH ORDER OF SAINT JOHN
MEMBERS PARTICIPATE JOINTLY WITH GROUPS NOT UNDER INVESTIGATION,
REMAINS ON COLLECTING INFORMATION RELEVANT TO THE SCOPE OF THE
ENTERPRISE, AS DESCRIBED IN SECTION III.B.3 OF THE AGG.

IF RENEWAL OF THIS INVESTIGATION IS DESIRED, KNOXVILLE
SHOULD PROVIDE FBIHQ WITH AN LHM REPORTING THE RESULTS OF THE
INVESTIGATION FOR APPROVAL. THE LHM SHOULD BE SUBMITTED TO
ARRIVE AT FBIHQ AT LEAST TWO WEEKS PRIOR TO THE JULY 9, 1993,
EXPIRATION DATE.

BT

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**DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
COMMUNICATION MESSAGE FORM**

PAGE 3

ADMINISTRATIVE NOTE/TICKLER COUNT:

NOTE: THIS TELETYPE AUTHORIZES THE RENEWAL OF CAPTIONED INVESTIGATION FOR A 180-DAY PERIOD.

IN ACCORDANCE WITH FBIHQ POLICY REGARDING LEGAL COUNSEL DIVISION (LCD) REVIEW OF COMMUNICATIONS WHICH DEAL IN ANY MANNER WITH FIRST AMENDMENT ISSUES, THIS COMMUNICATION SHOULD BE REVIEWED BY LCD.

Drafted By: TUG:tjg Room/TL #: 5214 Phone No: 4650

COPY DESIGNATIONS:

- 1 - MR. DAVIS (ATTN: MR. WELBY)
- 1 - MR. POTTS.
- 1 - MR. COULSON
- 1 - MR. KAHOE

1 -
1 -
1 -



APPROVED: _____

Director _____	Adm. Servs. _____	Laboratory _____	Off. of Liaison _____
Dep. Dir. _____	Crim. Inv. _____	Legal Coun. <u>skj/tug</u>	& Int. Affs. _____
ADD-Adm. _____	Ident. _____	Tech. Servs. _____	Off. of _____
ADD-Inv. _____	Info. Mgmt. _____	Training _____	Public Affs. _____
	Inspection _____	Cong. Affs. Off. _____	
	Intell. _____	Off. of EEO _____	

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Memorandum



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Dep. Dir. _____
 ADD Adm. _____
 ADD Inv. _____
 Asst. Dir.: _____
 Adm. Servs. _____
 Crim. Inv. _____
 Ident. _____
 Info. Mgnt. _____
 Insp. _____
 Intell. _____
 Lab. _____
 Legal Coun. _____
 Tech. Servs. _____
 Training _____
 Cong. Affs. Off. _____
 Off. of EEO _____
 Off. Liaison & Int. Affs. _____
 Off. of Public Affs. _____
 Telephone Rm. _____
 Director's Office _____

To : Mr. Potts

Date 1/8/93

From : D. O. Coulson

Subject : ORDER OF SAINT JOHN, aka
 SOVEREIGN ORDER OF SAINT JOHN OF JERUSALEM;
 DOMESTIC SECURITY/TERRORISM (DS/T);
 OO: KNOXVILLE

PURPOSE: To request that approval be granted for the extension of captioned investigation for an additional 180-day period. Initial authority was granted on 7/15/92, and will expire on 1/10/93.

RECOMMENDATIONS: (1) That the Assistant Director, Criminal Investigative Division (CID), approve the initiation of captioned DS/T investigation pursuant to Bureau policy.

DOZ
car
APPROVED: Adm. Servs. _____ Laboratory _____ Off. of Liaison _____
 Crim. Inv. *MP* Legal Coun. _____ & Int. Affs. _____
 Director _____ Ident. _____ Tech. Servs. _____ Off. of _____
 Dep. Dir. _____ Info. Mgnt. _____ Training _____ Public Affs. _____
 ADD-Adm. _____ Inspection _____ Cong. Affs. Off. _____
 ADD-Inv. _____ Intell. _____ Off. of EEO _____

(2) That the enclosed teletype, which grants authority to conduct this DS/T investigation, be approved for transmittal.

DOZ
car
APPROVED: Adm. Servs. _____ Laboratory _____ Off. of Liaison _____
 Crim. Inv. *MP* Legal Coun. _____ & Int. Affs. _____
 Director _____ Ident. _____ Tech. Servs. _____ Off. of _____
 Dep. Dir. _____ Info. Mgnt. _____ Training _____ Public Affs. _____
 ADD-Adm. _____ Inspection _____ Cong. Affs. Off. _____
 ADD-Inv. _____ Intell. _____ Off. of EEO _____

(3) That the enclosed notification letter to the Attorney General, U.S. Department of Justice, be approved and forwarded.

DOZ
car
APPROVED: Adm. Servs. _____ Laboratory _____ Off. of Liaison _____
 Crim. Inv. *MP* Legal Coun. _____ & Int. Affs. _____
 Director _____ Ident. _____ Tech. Servs. _____ Off. of _____
 Dep. Dir. _____ Info. Mgnt. _____ Training _____ Public Affs. _____
 ADD-Adm. _____ Inspection _____ Cong. Affs. Off. _____
 ADD-Inv. _____ Intell. _____ Off. of EEO _____

Enclosures (2)

1 - Mr. Davis
 (Attn: Mr. Welby)
 1 - Mr. Potts
 1 - Mr. Coulson
 TJG:tjg (8)

1 - Mr. Kahoe
 1 -
 1 -
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(CONTINUED-OVER)

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JAN 14 4 15 PM '93

RECEIVED
CRIMINAL
INVESTIGATIVE
DIVISION
ASSISTANT DIRECTOR

TO: SAC, NEW YORK

FROM: SAC, NEW YORK

SUBJECT: [illegible]

RE: [illegible]

DATE: [illegible]

TIME: [illegible]

BY: [illegible]

FOR: [illegible]

THRU: [illegible]

INFO: [illegible]

NOTE: [illegible]

ATTN: [illegible]

COPIES: [illegible]

ENCLOSURES: [illegible]

ADMINISTRATIVE: [illegible]

OTHER: [illegible]

REMARKS: [illegible]

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NOTE: [illegible]

ATTN: [illegible]

COPIES: [illegible]

ENCLOSURES: [illegible]

Memorandum from D. O. Coulson to Mr. Potts
Re: Order of Saint John, aka
Sovereign Order of Saint John of Jerusalem;
Domestic Security/Terrorism (DS/T);
OO: Knoxville

DETAILS: The Order of Saint John (OSJ) is a white supremacist organization based in Benton, Tennessee, and headed by Dr. John L. Grady, M.D. Grady is also the head of the American Pistol and Rifle Association (APRA), which appears to be a "front" organization for the OSJ. During the mid-1980s, several members of the white supremacist terrorist group known as "The Order" were current or former members of APRA.

Grady has recently been holding meetings at his compound with the leaders of other white supremacist groups in the hopes of forming an alliance among these groups. Grady indicated that he had been trying for more than 25 years to form this alliance, by using APRA groups located throughout the United States. Grady has advocated that small groups be formed which should be prepared to take over government facilities and destroy communications and microwave equipment. The group has also reportedly formed a "hit list" of political officials who need to be killed because of their opposition to OSJ beliefs, e.g., those who advocate gun control laws.

Grady has also referred to the recent shootout/barricade situation involving Randy Weaver in Northern Idaho, and stated that Federal Agents and informants who work with them should be eliminated. During a speech at the annual APRA conference held during October, 1992, Grady stated that Weaver's wife and son had been murdered by the Federal Government, and that someone would have to pay the price for the murders. Grady indicated that it was better to die a martyr and take out as many people as possible than to be arrested and taken to jail.

Knoxville will continue to utilize pen register and informant coverage in an attempt to obtain additional information regarding the OSJ, and will also utilize the "PATCON" Undercover Operation to infiltrate the OSJ for the purpose of determining what specific criminal acts OSJ members may be planning.

The Domestic Terrorism Unit (DTU) has reviewed the enclosed letterhead memorandum and believes that the actions of OSJ members meet the threshold set forth in the Attorney General's Guidelines on DS/T investigations. DTU therefore recommends that this investigation be renewed for a 180-day period.

The Attorney General
Attention: Office of Intelligence
Policy and Review
Assistant Director
Criminal Investigative Division

January 8, 1993

ORDER OF SAINT JOHN, aka
SOVEREIGN ORDER OF SAINT JOHN OF JERUSALEM;
DOMESTIC SECURITY/TERRORISM (DS/T);
OO: KNOXVILLE

The Federal Bureau of Investigation is conducting an investigation concerning captioned matter in accordance with the current guidelines for DS/T investigations.

Enclosures:

- X A 180-day progress report
- An annual report
- Current full DS/T investigations

This investigation was approved by the Director, FBI, or the Assistant Director, Criminal Investigative Division.

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Hand carried 1cc LHM with Cover Memo to DOS/OIPR by DTU.
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DIVISION
ASSISTANT DIRECTOR

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Director's Office	

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FM FBI [REDACTED] (100A-KX-61340) (P)

TO DIRECTOR FBI/PRIORITY/

FBI BIRMINGHAM [REDACTED] /PRIORITY/

FBI KNOXVILLE/PRIORITY/

FBI SAN ANTONIO/PRIORITY/

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ALL INFORMATION CONTAINED
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DATE 6-2-99 BY 60367NLS/BCE/KG
412915

CITE: //3630:0005//

PASS: SSA [REDACTED] DTU, VCMOS, CID, ROOM 5214, FBIHQ;

SA [REDACTED] BIRMINGHAM; SA [REDACTED] KNOXVILLE.

SUBJECT: ORDER OF ST. JOHN, AKA SOVEREIGN ORDER OF ST. JOHN
OF JERUSALEM; AMERICAN PISTOL AND RIFLE ASSOCIATION, AKA
AMERICAN PATRIOTIC REVOLUTIONARY ASSOCIATION (APRA); DS/T;

OO: KNOXVILLE (100A-KX-61340)

100A-KX-61340-21

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[REDACTED] AOT - DT; TGP; ITSP; NFA; OO: BIRMINGHAM

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DUE TO SUBJECTS' SPECIFIC THREATS AGAINST FBI PERSONNEL
AND THEIR CONTINUED POSSESSION OF WEAPONS AND EXPLOSIVES,
SUBJECTS SHOULD BE CONSIDERED ARMED AND DANGEROUS.

RE TELCAL OF SA [REDACTED] DIVISION, TO
SA [REDACTED] HUNTSVILLE RA, BIRMINGHAM DIVISION, ON
MARCH 2, 1993.

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ON MARCH 2, 1993 [REDACTED] WHO IS VERY KNOWLEDGEABLE
CONCERNING THE ACTIVITIES OF [REDACTED] AND THE CIVILIAN
MATERIAL ASSISTANCE (CMA), ADVISED THAT ON [REDACTED]
SOURCE OBTAINED INFORMATION REGARDING THE ACTIVITIES OF [REDACTED]
[REDACTED] AND THE CMA. SOURCE ADVISED [REDACTED]

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PAGE FOUR DE [REDACTED] 0009 UNCLAS E F T U

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SOURCE ADVISED THAT [REDACTED]

[REDACTED] SOURCE IS CONTINUALLY OBTAINING UPDATED
INFORMATION REGARDING THE ACTIVITIES OF THE CMA. ANY
INFORMATION REGARDING [REDACTED]
OR ACTIVITIES OF CMA WILL BE EXPEDITIOUSLY PROVIDED TO ALL

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PAGE FIVE DE 0009 UNCLAS E F T O

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CONCERNED OFFICES.

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FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 4/20/93

TO : DIRECTOR, FBI
 (ATTN: SSA [redacted] CID, VCMO-DT)

FROM *wjw* : SAC, BIRMINGHAM (100A-KX-61340) (RUC)

SUBJECT : PATCON GROUP I UNDERCOVER OPERATION (UCO)
 DOMESTIC SECURITY/TERRORISM (DS/T)
 OO:KX
 (100A-KX-61785)

ORDER OF SAINT JOHN OF JERUSALEM
 DS/T
 OO:KX
 (100A-KX-61340)

SUBJECTS SHOULD BE CONSIDERED ARMED AND DANGEROUS

Re Knoxville teletype to Director dated 1/4/93.

Referenced teletype indicated that the Patcon
 undercover operation broke off relations with [redacted]
 [redacted] Decatur, Alabama, on 12/31/92. Since no further
 information has been developed to further relate captioned
 matters to [redacted] or any other individuals in the Birmingham
 Division, Birmingham will place these cases in an RUC status.

For information of receiving offices, [redacted]
 continues to be a target of investigation in other Birmingham
 cases.

② - Bureau
 2 - Baltimore
 2 - Knoxville
 2 - [redacted]
 2 - San Antonio
 2 - Birmingham
 DLH:mec
 (12)

100A-KX-61340-22

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DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
COMMUNICATION MESSAGE FORM

TRANSMIT VIA:

☒ Teletype

DATE: 6/3/93

^PAGE 1 OF 2

PRECEDENCE:

☐ Immediate
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CLASSIFICATION:

☐ TOP SECRET
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FM DIRECTOR FBI

TO FBI KNOXVILLE (100A-KX-61340)/ROUTINE/

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CITE: //0652//

SUBJECT: ORDER OF SAINT JOHN; AKA SOVEREIGN ORDER OF SAINT JOHN
OF JERUSALEM; DOMESTIC SECURITY/TERRORISM (DS/T); 00: KNOXVILLE;

FULL INVESTIGATION AUTHORIZED ON 7/15/92, TO EXPIRE ON
7/9/93.

KNOXVILLE IS REMINDED THAT PURSUANT TO REPORTING GUIDELINES,
THE 180-DAY AIRTEL AND SUMMARY LETTERHEAD MEMORANDUM (LHM)
PERTAINING TO CAPTIONED MATTER IS DUE AT FBIHQ BY CLOSE OF
BUSINESS 6/25/93. IF KNOXVILLE DESIRES A RENEWAL OF THIS
INVESTIGATION, THE LHM MUST CONTAIN THE DETAILS OF THIS
INVESTIGATION AND JUSTIFICATION FOR ITS RENEWAL.

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DATE 6-3-99 BY 60262WLS/BCE/DC
412915

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NOTE: Copy Designations Are On The Last Page Of This Teletype!!!

Approved By

MRI/JUL

Transmitted

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1557 JUN 04 1993

DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
COMMUNICATION MESSAGE FORM

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DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
COMMUNICATION MESSAGE FORM

PAGE 3

ADMINISTRATIVE NOTE/TICKLER COUNT:

NOTE: THIS TELETYPE REMINDS KNOXVILLE THAT THEIR INVESTIGATION OF ORDER OF SAINT JOHN OF JERUSALEM IS DUE TO EXPIRE ON 7/9/93.

Drafted By: Miss [signature] Room/TL #: 5214 Phone No: 4650

COPY DESIGNATIONS:

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**DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
COMMUNICATION MESSAGE FORM**

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TRANSMIT VIA:☒ Teletype

DATE: 7/15/93

^PAGE 1 OF 2

PRECEDENCE:☐ Immediate☐ Priority☒ Routine**CLASSIFICATION:**☐ TOP SECRET☐ SECRET☐ CONFIDENTIAL☒ UNCLAS E F T O☐ UNCLAS

FM DIRECTOR FBI

TO FBI BALTIMORE/ROUTINE/

FBI KNOXVILLE (100A-KX-61340)/ROUTINE/

FBI SAN ANTONIO/ROUTINE/

BT

UNCLAS E F T O

CITE: //0652//

SUBJECT: ORDER OF SAINT JOHN (OSJ), AKA; DOMESTIC SECURITY/
TERRORISM (DS/T); OO: KNOXVILLE. PATCON; GROUP I UNDERCOVER
OPERATION (UCO); DS/T; OO: KNOXVILLE. (100A-KX-61785)

REFERENCE KNOXVILLE AIRTEL, WITH LETTERHEAD MEMORANDUM,
DATED 6/28/93.

FULL DS/T INVESTIGATION OF THE OSJ AUTHORIZED ON 7/15/92,
EXPIRED ON 7/9/93.

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Approved By

MRI/JUL

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OF INVESTIGATION

DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
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IN REFERENCED AIRTEL, KNOXVILLE REQUESTED EXTENSION OF THE OSJ INVESTIGATION. AFTER CAREFUL REVIEW, FBIHQ HAS DETERMINED THAT INSUFFICIENT JUSTIFICATION EXISTS TO JUSTIFY THE EXTENSION OF THIS INVESTIGATION.

AS A RESULT OF THE EXPIRATION OF THE OSJ INVESTIGATION, THE PATCON GROUP I UCO WAS ALSO TERMINATED ON 7/9/93.

RECEIVING OFFICES SHOULD CONDUCT NO FURTHER INVESTIGATION REGARDING EITHER THE OSJ OR PATCON. KNOXVILLE SHOULD ADVISE ANY AUXILIARY OFFICES NOT IN RECEIPT OF THIS COMMUNICATION OF THE CLOSING OF THE OSJ AND PATCON INVESTIGATIONS.

IF KNOXVILLE SHOULD BECOME AWARE OF INFORMATION INDICATING THAT OSJ MEMBERS ARE INVOLVED IN CRIMINAL ACTIVITY, KNOXVILLE MAY DESIRE TO REINITIATE A PRELIMINARY INQUIRY ON THE GROUP.

BT

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DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
COMMUNICATION MESSAGE FORM

PAGE 3

ADMINISTRATIVE NOTE/TICKLER COUNT:

NOTE: THIS TELETYPE ADVISES KNOXVILLE THAT THEIR DS/T
INVESTIGATION OF THE ORDER OF SAINT JOHN WAS NOT RENEWED BY FBIHQ
BECAUSE OF INSUFFICIENT JUSTIFICATION FOR ITS EXTENSION. AS A
RESULT OF THIS CLOSING, KNOXVILLE IS ALSO ADVISED THAT THE PATCON
UCO IS TERMINATED.

Drafted By: *fig* Room/TL #: 5214 Phone No: 4650

COPY DESIGNATIONS:

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FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 6/28/93

TO : DIRECTOR, FBI
 ATTN: CID VCMOS - DT
 SSA [REDACTED] ROOM 5214
 FROM : SAC, KNOXVILLE (100A-KX-61340) (P)
 SUBJECT : ORDER OF ST. JOHN, aka;
 DOMESTIC SECURITY/TERRORISM (DS/T);
 OO: KX

SUBJECTS SHOULD BE CONSIDERED ARMED AND DANGEROUS.

REQUEST OF THE BUREAU:

The Bureau is requested to renew the fill field investigation in captioned matter for a 180 day period.

Re Knoxville airtel with LHM to Bureau dated 12/21/92; Bureau teletype to Knoxville dated 6/4/93; telephone call of SA [REDACTED] Knoxville Division, Cleveland RA, to SSA [REDACTED] CID, VCMOS - DT on 6/11/93.

Enclosed for the Bureau are the original and four copies of an LHM setting forth investigation of captioned group during the past 180 day period.

Full field investigation authorized on 7/16/92 to expire on 7/9/93.

- (3) - Bureau (Enc. 5)
 3 - Knoxville

JDJ/bdp
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Investigation not extended. Expired 7/9/93.

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100A-KX-61340

Based on information provided to the Bureau in referenced Knoxville airtel and LHM and information provided in instant communication, Knoxville is of the opinion that captioned matter should remain open for six months to more fully investigate the activities of captioned group.

ADMINISTRATIVE:

The PATCON UCA referred to in the enclosed LHM is Special Agent [REDACTED] Baltimore Division.

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[REDACTED] The CS referred to in the enclosed LHM is [REDACTED]

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SUBJECTS SHOULD BE CONSIDERED ARMED AND DANGEROUS.



U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to
File No.

710 Locust Street
Knoxville, Tennessee 37902

June 28, 1993

✓ ORDER OF ST. JOHN, also known as
Sovereign Order of St. John of Jerusalem;
DOMESTIC SECURITY/TERRORISM

This case was predicated upon information received that the Order of St. John (OSJ), through the head of the organization, John L. Grady, M. D., and another organization headed by Grady, the American Pistol and Rifle Association (APRA), had presented a reasonable indication of furthering political and social goals by the use of force or violation of the criminal laws of the United States. The groups are motivated by a belief in White supremacy and a distrust of and lack of confidence in the government of the United States.

On January 12, 1993, PATCON undercover agent (UCA) received a letter from Dr. John L. Grady, Benton, Tennessee, providing information regarding a sales marketing program involving the sale of personal and home security devices through which the patriot associated with the program could make money for themselves as well as hopefully donate a percentage of the proceeds to APRA in furtherance of the patriotic cause. Nothing further was heard by the PATCON UCA regarding the scheme and it was not brought up in additional conversations with Grady.

On February 16, 1993, a confidential source (CS) advised that [REDACTED]

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On February 20, 1993, [redacted] an assistant to Grady, was observed at a booth at a gun show at the Chattanooga, Tennessee Trade and Convention Center. [redacted] was wearing military style clothing and carrying a 9mm pistol in a shoulder holster. [redacted] was also wearing a small pin on his collar that was round with a red background with a white cross. This pin allegedly designates Knights of the OSJ. [redacted] was selling assorted black, nylon web gear and holsters as well as books and magazines mainly about survival tactics and the White Supremacy movement. Also observed at the gun show was [redacted] who was selling surplus military gear and weapons.

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On February 26, 1993, the CS advised that [redacted]

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The CS advised that [redacted]

The CS advised that [redacted]

The CS advised that [REDACTED]

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The CS said [REDACTED]

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On May 7, 1993, PATCON UCA met with John Grady at Grady's compound in Benton, Tennessee. Grady was curious as to what prompted the visit. The UCA replied that the visit was because the UCA was visiting a nearby girlfriend and the UCA wanted to get Grady's views on the Waco incident. Grady said he thought the UCA's visit was extremely coincidental in that [REDACTED] had been to the compound recently. [REDACTED] had supposedly come to visit Grady and to buy army surplus gear in the area but had then suddenly left after visiting with Grady. Grady then thought it strange that the UCA then showed up a week later.

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Grady questioned how the UCA had met [REDACTED] which the UCA explained had been through [REDACTED] Texas. After seemingly accepting the UCA's explanation, Grady told the UCA that Grady thought [REDACTED] was an informant for the Bureau of Alcohol, Tobacco and Firearms (ATF) and had been responsible for a [REDACTED] being arrested by the ATF in Phoenix, Arizona. Grady said he had become suspicious of [REDACTED] because of his actions at the PARA convention last fall and of other things that [REDACTED] had done and said. Grady said he took his attorney with him to the ATF office in Chattanooga after [REDACTED] last visit but was told by the ATF that they did not know [REDACTED] and were not working a case against Grady. Grady then went to [REDACTED] motel to confront him, but [REDACTED] had left. Grady said he had copies of court documents which indicated to him that [REDACTED] was indeed a

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snitch. Grady further questioned the UCA about associations with [REDACTED]

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Based on Grady's reaction and later statements by the UCA, it appears that Grady accepted the UCA's background and representation.

Grady then talked to the UCA briefly about the history of APRA and that a couple of members of APRA had been members of the Order. Grady characterized these people as hardcore types and having committed a number of indiscretions for which they were now serving prison terms.

Grady went on to tell the UCA that Grady was aware of various law enforcement agency efforts to infiltrate his organization as well as the Anti-Defamation League (ADL) and that a group called "Klan Watch" put out a publication which expressed views contrary to Grady.

Grady then asked what it would take to awaken the American people. He stated the incidents at Waco were regrettable and said the government has a history of burning people out and referred to Robert Matthews and Gordon Kahl. Grady went on to say that because of continued atrocities by the Federal law enforcement community, there might come a day when he would have to take up arms against the government; however, he was getting too old and he would leave that to the younger members of the group. Grady said for this to occur, there would have to be hard economic times and then not open, direct warfare, but guerrilla type warfare would occur.

On June 22, 1993, PATCON UCA again visited John L. Grady at his compound and was warmly welcomed by Grady who gave the UCA a tour of the compound, being especially proud of the library in the church which contained over 30,000 books on topics ranging from religion to conspiracy. Grady, however, again questioned the UCA about the relationship with [REDACTED] [REDACTED] Grady was still convinced that [REDACTED] was a source for the ATF.

Grady talked about the aftermath of the Waco incident and stated that the Davidians shot in the compound had been killed by a Special Forces unit and it was a continuation of a big conspiracy by the government to cover up the incident.

Grady told the UCA that the jury had been out for several days in the Weaver trial in Idaho and that Grady did not think that was a good sign for Weaver. Grady said he did not see anything on the horizon regarding the Weaver outcome.

Grady also told the UCA that there would not be an APRA conference this year because of all of the hard work entailed and

because of snitches like [] being around. He said that APRA would still be putting on the firearms schools. Grady said he had had some problems with some of his instructors trying to recruit shooters to their own schools.

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Grady asked the UCA if he knew [] to which the UCA replied he knew [] as the Colonel and as being the head of a group in Texas. The UCA said he did not trust [] and thought his group was like that of [] to which Grady laughed.

Grady took the UCA to his office and had his secretary, [] pull up the UCA's file on the computer regarding the UCA's APRA membership. It showed it was expired and the UCA paid \$20 to get current. The file contained the name, sex, date of birth (which was wrong), military status (showed four years) and marital status. The information was blank except for the name, address, telephone number and military status. Grady told the UCA that [] had been the sponsor on the UCA's application.

Grady again questioned the UCA and what he may have told [] about how the UCA had financing for his activities -- such as "creative financing". The UCA said that "creative financing" was all he had told [] and anything else said or thought was supposition on the part of [] or even Grady. Grady said that was good in that he had first thought the UCA might be a Fed because he was supposed to have a large sum of money to give to the cause - money possibly received from robbing banks or armored cars. Grady said that with the way forfeiture laws were, one had to be real careful or the government would seize your property and he did not want that to happen, that in fact, the compound was registered as church owned property.

Grady then talked about how he and [] were getting hardcore lawyers together to represent people in the movement, free of charge. They were also trying to get people together to do their own Declaration of Independence. Each person would have a particular expertise or profession, such as a lawyer or physician and would head their own group to pass on information for furtherance of the cause.

Grady told the UCA that [] was running around the country conducting shooting schools and charging \$100 per person per day. Grady had sent some of his people who told him the instruction was very elementary. At the end of the meeting, Grady invited the UCA to come back at any time.

FEDERAL BUREAU OF INVESTIGATION
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Page 51 ~ b3; b7D;
Page 52 ~ b3; b7D;
Page 53 ~ b3; b7D;
Page 54 ~ b3; b7D;
Page 55 ~ b3; b7D;
Page 71 ~ b6; b7C; b7D;
Page 72 ~ b6; b7C; b7D;
Page 75 ~ b6; b7C; b7D;
Page 85 ~ Duplicate;
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Page 88 ~ b3; b5; b6; b7C; b7D;
Page 90 ~ b3; b7D;
Page 109 ~ b6; b7C; b7D;
Page 110 ~ b6; b7C; b7D;
Page 111 ~ b6; b7C; b7D;
Page 112 ~ b6; b7C; b7D;
Page 113 ~ b6; b7C; b7D;
Page 114 ~ b6; b7C; b7D;
Page 115 ~ b6; b7C; b7D;
Page 116 ~ b6; b7C; b7D;
Page 117 ~ b6; b7C; b7D;
Page 118 ~ b6; b7C; b7D;
Page 119 ~ b6; b7C; b7D;
Page 120 ~ b6; b7C; b7D;
Page 121 ~ b6; b7C; b7D;
Page 125 ~ b6; b7C; b7D;
Page 126 ~ b6; b7C; b7D;
Page 127 ~ b6; b7C; b7D;
Page 129 ~ b6; b7C; b7D;

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FM MIAMI (87-39616) P

TO DIRECTOR IMMEDIATE

NEWARK (196-89) IMMEDIATE

WASHINGTON FIELD (SQC-7) IMMEDIATE

LOS ANGELES IMMEDIATE

NORFOLK IMMEDIATE

LAS VEGAS ROUTINE

HOUSTON ROUTINE

NEW YORK ROUTINE

MEMPHIS ROUTINE

ATLANTA (87-19117) ROUTINE

ALL OFFICES VIA WASHINGTON

BT

CLEAR

ATTENTION: [REDACTED] DIVISION SIX

[REDACTED] ITSP - FBW, OO: MIAMI.

[REDACTED] JERET E. DENNE; [REDACTED]

[REDACTED] DBA ORDER OF SAINT JOHN OF JERUSALEM, KNIGHTS 23 JAN 30 1978

Fin. & Pers.	_____
Ident.	_____
Intell.	_____
Laboratory	_____
Legal Coun.	_____
Plan. & Insp.	_____
Rec. Mgnt.	_____
Spec. Inv.	_____
Tech. Servs.	_____
Training	_____
Public Affs. Off.	_____
Telephone Rm.	_____
Director's Sec'y.	_____

w/De
Rm 5042

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EX-111

REC-39

DE-68

TELETYPED TO:

all other offices

2
FEB 12 1978

87-146690

12 FEB 2 1978

14 1978

PAGE TWO MM 87-39816 CLEAR
OF MALTA, FBW, OO: NEWARK.
DOCTOR JARE E. DENNEE; EARNEST MENDEL; [REDACTED]
REPRESENTING SOVEREIGN ORDER OF SAINT JOHN OF JERUSALEM
AND DBA ESTONNE LIMITED, 215 88TH STREET, SURESIDE,
FLORIDA, ITSP - FBW, OO: NORFOLK.

RE NEWARK TELETYPE TO THE BUREAU, JANUARY 23, 1978,
AND NORFOLK TELETYPE TO MIAMI, JANUARY 23, 1978.

FOR THE INFORMATION OF OFFICES NOT RECEIVING PRIOR
COMMUNICATIONS IN THIS MATTER, MIAMI COMMENCED UNDERCOVER
ACTIVITIES WITH SUBJECT [REDACTED] ON
JANUARY 18, 1978. [REDACTED] IS SEEKING A \$35,000,000 LOAN
IN ORDER TO PURCHASE THE LANDMARK CASINO IN LAS VEGAS,
NEVADA. [REDACTED] WAS UNABLE TO OBTAIN FINANCING ON HIS OWN
AND WAS REFERRED TO [REDACTED] PROMISED \$35,000,000
IN COLLATERAL TO SECURE [REDACTED] LOAN AND EFFECT THE
PURCHASE OF THE HOTEL. [REDACTED]

[REDACTED] AND MIAMI AGENT HAS POSED AS [REDACTED]
[REDACTED] [REDACTED] HAS INSURED MIAMI THAT HE
POSSESSES \$35,000,000 IN CANADIAN SECURITIES, CANADIAN

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PAGE THREE MM 87-39616 CLEAR

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GOVERNMENT BONDS AND TRIPLE A BONDS, WHICH HE INTENDS TO PLEDGE ON THE BEHALF OF [REDACTED] THE SITUATION HAS EVOLVED TO THE POINT WHERE [REDACTED] IS TO APPEAR AT THE OFFICES OF AMERICAN SECURITY AND TRUST IN WASHINGTON, INSTANT, TO PROVIDE A LIST OF THE SECURITIES HE INTENDS TO PLEDGE ON BEHALF OF [REDACTED]

INVESTIGATION AT WASHINGTON FIELD HAS DETERMINED THAT [REDACTED] IN CONSORT WITH [REDACTED] HAVE ATTEMPTED A KITING SCHEME AT MERRILL LYNCH IN NEW YORK AND WASHINGTON. THEY APPROACHED THE BROKERAGE HOUSE ATTEMPTING TO BUY \$35,000,000 IN CANADIAN SECURITIES BASED UPON A VERBAL COMMITMENT THAT THEY HAD \$35,000,000 IN FUNDING WHICH WAS IMMINENT. MERRILL LYNCH WAS NOT TAKEN IN BY THIS SCHEME AND HAS BROKEN OFF DEALINGS WITH [REDACTED] ET AL.

IN THE INTERIM, NEWARK OFFICE [REDACTED] [REDACTED] HAS BEEN IN TOUCH WITH DOCTOR JERET DENNE, WHO IS OFFERING \$16,000,000 TROY OUNCES OF GOLD AT 425 UNDER LME POSTING. NORFOLK IS ATTEMPTING TO ESTABLISH AN UNDERCOVER ACTIVITY WHEREBY AGENTS WOULD BE INTRODUCED TO

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PAGE FOUR MM 87-39616 CLEAR

DENNE, ET AL, TO BECOME INVOLVED IN THE TRANSACTION INVOLVING THE PURCHASE OF THE GOLD.

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NEWARK ADVISES THAT A [REDACTED]
[REDACTED] OF INDEX INTERNATIONAL, HAD CONTACTED THEIR OFFICE TO REPORT THAT HIS FIRM HAD BEEN CONTACTED BY DENNE, WHO WAS ATTEMPTING TO SECURE A LOAN TO PURCHASE A BANK IN THE BAHAMAS. DENNE CLAIMED AS COLLATERAL 1.5 BILLION IN CANADIAN SECURITIES HELD PARTIALLY BY MERRILL LYNCH IN NEW YORK, THE REMAINING ITEMS BEING HELD IN A TRUST AT FIRST CITY BANK OF HOUSTON, TEXAS. NEWARK HAS BEEN ABLE TO DETERMINE THAT NO SUCH TRUST EXISTS AT THAT BANK.

AS IT APPEARS THAT THERE IS A RELATIONSHIP BETWEEN SUBJECTS [REDACTED] DENNE AND [REDACTED] AND WASHINGTON FIELD IS PRESENTLY CONDUCTING AN UNDERCOVER OPERATION INVOLVING [REDACTED] IT IS SUGGESTED THAT NEWARK HOLD ITS CONTACTS IN ABEYANCE UNTIL THE CONCLUSION OF THIS TRANSACTION. IT IS ALSO SUGGESTED BY MIAMI THAT NORFOLK CONTINUE

PAGE FIVE MM 87-39616 CLEAR

b6
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ITS ACTIVITIES CONCERNING DENNE AS SHE APPEARS TO BE THE
COMMON DENOMINATOR BETWEEN THESE VARIOUS ENTERPRISES. FOR
INFORMATION OF NEWARK AND NORFOLK, TELEPHONE NUMBER
[REDACTED] IS LISTED TO EARNEST MENDEL AT 225 88TH
STREET, MIAMI, FLORIDA.

MIAMI HAS DISCUSSED THIS MATTER WITH AUSA [REDACTED]

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[REDACTED] AND IT IS [REDACTED] OPINION THAT [REDACTED]

[REDACTED] WAS ALSO OF THE OPINION THAT [REDACTED]

[REDACTED] DISTRICT OF COLUMBIA, ADVISED
WASHINGTON FIELD THAT HE FEELS [REDACTED]

Airtel

1/30/78

To: SAC, Norfolk (87-6085)

From: Director, FBI

DR. JERE E. DENNE, et al

ITSP - FBW

00: NORFOLK

ReButel 1/27/78.

As requested, [redacted] was wired 1/30/78 to Virginia National Bank, 1 Commercial Place, Norfolk, Virginia.

b7E

MAILED 18

JAN 30 1978

NOTE: Funds approved by referenced Buairtel.

1
2

REC-36

EX-124

1388)

GLS:nlb (6)

Assoc. Dir. _____
Dep. AD Adm. _____
Dep. AD Inv. _____
Asst. Dir.:
Adm. Serv. _____
Crim. Inv. _____
Fin. & Pers. _____
Ident. _____
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Legal Coun. _____
Plan. & Insp. _____
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Spec. Inv. _____
Tech. Servs. _____
Training _____
Public Affs. Off. _____
Telephone _____
Director's Sec'y _____

MAIL ROOM ☒

TELETYPE UNIT ☐

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led to OCS 2/1/78
OC 2/2/78 FEB 03 1978

REC'D MAIL ROOM
FBI

JAN 30 5 25 PM '78



TELETYPE

PRIORITY

UNCLASSIFIED

1/27/78

FM DIRECTOR

TO NORFOLK (87-6085) PRIORITY

MIAMI (87-396)6) PRIORITY

NEWARK (196-89) PRIORITY

WFO (196-59) PRIORITY

HOUSTON PRIORITY

BT

E F T O

1 - [REDACTED]
1 - [REDACTED]
1 - [REDACTED]
1 - [REDACTED]
(Attn [REDACTED])

[REDACTED] ITSP - FBW, OO: MIAMI.

[REDACTED] JANET E. DENNE: [REDACTED]

[REDACTED] DBA ORDER OF ST. JOHN OF JERUSALEM, KNIGHTS OF MALTA,
FBW, OO: NEWARK.

DR. JERE E. DENNE; EARNEST MANDELL; [REDACTED]

REPRESENTING SOVERIGN ORDER OF ST. JOHN OF JERUSALEM AND
DBA ESTONNE LIMITED, 215 - 88TH STREET, SURFSIDE, FLORIDA,
ITSP - FBW, OO: NORFOLK.

RENFTEL TO BUREAU JANUARY 27, 1978, AND FBIHQ TELEPHONE
CALLS TO ASAC NORFOLK AND ITSP SUPERVISOR, MIAMI, JANUARY 27,
1978.

WJR pdh
(9)

SEE NOTE PAGE TWO

1/30/78
COC S. [unclear]

1/30/78
T. [unclear]

PAGE TWO E F T O

FBIHQ APPROVAL GRANTED FOR MIAMI SA [REDACTED] TO TRAVEL TO NORFOLK TO ACT IN UNDERCOVER CAPACITY IN CONNECTION WITH INVESTIGATION DESCRIBED IN REMTEL.

FBIHQ APPROVAL ALSO GIVEN FOR TRANSFER OF [REDACTED] TO OPEN [REDACTED] AT VIRGINIA NATIONAL BANK AS SET OUT IN RETEL. THESE FUNDS WILL BE TRANSFERRED TO NORFOLK JANUARY 30, 1978, AND NORFOLK SHOULD IMMEDIATELY FURNISH INFORMATION CONCERNING THIS ACCOUNT TO FBIHQ.

INCLUDE NAME AND ADDRESS OF BANK, BANK OFFICIAL TO WHOSE ATTENTION MONEY SHOULD BE DIRECTED AND SPECIFIC ACCOUNT NUMBER. [REDACTED]

BT

NOTE: This investigation concerns ITSP-FBW investigation whereby

[REDACTED]

APPROVED:

Special Agent in Charge
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Special Agent in Charge
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Special Agent in Charge
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

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NE00676 0290332Z

PP HQ MM

DE NF

P 280138Z JAN 78

FM NORFOLK (87-6085)

TO DIRECTOR (PRIORITY)

MIAMI (87-39616) ROUTINE

BT

CLEAR

[REDACTED] ET AL, ITSP-FBW, OO: MM; [REDACTED] ET AL, FBW, 3-

OO: NK; DR. JERE E. DENNE, ET AL, ITSP-FBW, OO: NF.

RE NORFOLK TELETYPE TO BUREAU, JANUARY 27, 1978, AND BUREAU
TELETYPE TO NORFOLK, JANUARY 27, 1978.

AUTHORITY IS REQUESTED TO UTILIZE AN ELECTRONIC DEVICE TO
MONITOR AND/OR RECORD PRIVATE CONVERASTIONS BETWEEN [REDACTED]
[REDACTED] IN CONNECTION WITH A
ITSP-FBW MATTER.

DR. JERE E. DENNE AND ASSOCIATES INVOLVED IN CONFIDENCE SCHEME
WHERE NON-EXISTANT OR COUNTERFEIT SECURITIES PUT UP AS COLLATERAL FOR
LOAN BEING OBTAINED THROUGH MONEY BROKER. DENNE AND ASSOCIATES
ALSO ATTEMPTING TO INDUCE INVESTMENT IN FRAUDULENT GOLD DEAL
ELECTRONIC DEVICE NEEDED TO RECORD CONVERSATION FOR EVIDENCE

JAN 23 10 38 PM '78
RECEIVED
FEDERAL BUREAU
OF INVESTIGATION
COMMUNICATIONS SECTION

Mr. Tolson	
Mr. Felt	
Mr. Rosen	
Mr. Sullivan	
Mr. Tavel	
Mr. Trotter	
Tele. Room	
Director's Sec'y	

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ORIGINAL FILED IN 87-1466-11

56 FEB 22 1978

PAGE TWO NF 87-6095 CLEAR

[REDACTED] AT NORFOLK, VA.

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FACTS OF CASE DISCUSSED WITH AUSA [REDACTED] NORFOLK,
VA., WHO ADVISED [REDACTED]

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[REDACTED]
NORFOLK REQUESTS AUTHORITY FOR USE OF ELECTRONIC DEVICE ON
[REDACTED]

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BT

NF0669 0272322Z

OO HQ MM WF HO NK

DE NF

O 272320Z JAN 78

RECEIVED
FEDERAL BUREAU
OF INVESTIGATION
COMMUNICATIONS SECTION

Assoc. Dir.	_____
Dep. AD Adm.	_____
Dep. AD Inv.	_____
Asst. Dir.:	_____
Adm. Serv.	_____
Crim. Inv.	_____
Fin. & Pers.	_____
Ident.	_____
Intell.	_____
Laboratory	_____
Legal Coun.	_____
Plan. & Insp.	_____
Rec. Mgmt.	_____
Spec. Inv.	_____
Tech. Serv.	_____
Training	_____
Public Affs. Off.	_____
Telephone Rm.	_____
Director's Sec'y	_____

FM NORFOLK (87-6085) P

TO DIRECTOR IMMEDIATE

MIAMI (87-39616) IMMEDIATE

WFO (196-59) IMMEDIATE

HOUSTON ROUTINE

NEWARK (196-89) ROUTINE

BT

CLEAR

JARE E. DENNE

[REDACTED] ET AL OO: MIAMI.

[REDACTED] ET AL,

OO: NEWARK. DR. JERE E. DENNE; ET AL, CO: NORFOLK; INSP-FED

RE WFO TELEPHONE CALL TO NORFOLK, NORFOLK DE-52

TELEPHONE CALL TO BUREAU AND NORFOLK TELEPHONE CALL
TO MIAMI, ALL JANUARY 27, 1978, AND NORFOLK TELETYPE
TO BUREAU JANUARY 26, 1978.

SUBJECT DENNE HAS INDICATED A WILLINGNESS TO
TRAVEL TO NORFOLK, VA. TO ASSIST IN CLOSING DEAL
INVOLVING BILLION DOLLAR LOAN TO THE SOVERIGN ORDER
OF ST. JOHN OF JERUSALEM.

NOT RECORDED

20

FEB 6 1978

28 FEB 1978

ASAC

ADVISED

MONEY

TAKEN

INSURE

CANNOT

FROM VICTIM

ACCOUNT

BY

1/3/78

124
FEB 27 1978

ORIGINAL FILED IN 89-1111

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PAGE TWO NF 87-6085 CLEAR

THIS MATTER HAS BEEN DISCUSSED WITH THE MIAMI DIVISION
AND THEY HAVE NO OBJECTIONS TO UTILIZING SA [REDACTED]
IN UNDERCOVER OPERATION AT NORFOLK.

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[REDACTED] WAS OPENED JANUARY 27, 1978,
AT THE VNB BY SA [REDACTED] USING THE ALIAS

[REDACTED] THIS ACCOUNT OPENED AS [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] ACCOUNT OPENED IN NAME
[REDACTED]
[REDACTED] BANK ACCOUNT NUMBER [REDACTED]
[REDACTED]
[REDACTED] HAS BEEN ADVISED THAT [REDACTED]
[REDACTED]

VNB HAS BANK NUMBER [REDACTED] AND BANK PERSONNEL
HAVE ADVISED A WIRE TRANSFER OF FUNDS SHOULD BE DIRECTED
TO THE WIRE TRANSFER DEPARTMENT, VNB, NORFOLK, TELEPHONE
804-441-4000.

PA

PAGE THREE NF AIUAYPIT CLEAR

THE BUREAU IS REQUESTED TO AUTHORIZE UTILIZATION
OF SA [REDACTED] MIAMI DIVISION, FOR UNDERCOVER ASSIGN-
MENT AT NORFOLK. SA [REDACTED] SHOULD ARRIVE IN NORFOLK ON
MONDAY, JANUARY 30, 1978.

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THE BUREAU IS REQUESTED TO TRANSFER [REDACTED] IN
CURRENCY TO THE [REDACTED] ACCOUNT

[REDACTED] AT THE VNB [REDACTED]

[REDACTED] AS EARLY AS POSSIBLE.

BT

TELETYPE

PRIORITY

UNCLASSIFIED

1/27/78

FM DIRECTOR

TO NORFOLK (87-6085) PRIORITY

MIAMI (87-396]6) PRIORITY

NEWARK (]96-89) PRIORITY

WFO (]96-59) PRIORITY

HOUSTON PRIORITY

BT

E F T O

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1 -

(Attn: [REDACTED])

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[REDACTED] ITSP - FBW, OO: MIAMI.

[REDACTED] JANET E. DENE; [REDACTED]

[REDACTED] DBA ORDER OF ST. JOHN OF JERUSALEM; KNIGHTS OF MALTA,
FBW, OO: NEWARK.

DR. JERE E. DENNE; EARNEST MANDELL; [REDACTED]

REPRESENTING SOVERIGN ORDER OF ST. JOHN OF JERUSALEM AND
DBA ESTONNE LIMITED, 2]5 - 88TH STREET, SURFSIDE, FLORIDA,
ITSP - FBW, OO: NORFOLK.

RENFTL TO BUREAU JANUARY 27, 1978, AND FBIHQ TELEPHONE
CALLS TO ASAC NORFOLK AND ITSP SUPERVISOR, MIAMI, JANUARY 27,
1978.

WJR:pdh
(9)

87-146690-
SEE NOTE PAGE TWO NOT RECORDED

1 FEB 3 1978

DUPLICATE YELLOW
OF WIRE TRANSMITTED

124
FEB 27 1978

ORIGINAL FILED IN 87-146638-17

PAGE TWO E F T O

FBIHQ APPROVAL GRANTED FOR MIAMI SA [] TO
TRAVEL TO NORFOLK TO ACT IN UNDERCOVER CAPACITY IN CONNECTION
WITH INVESTIGATION DESCRIBED IN RENFTEL.

FBIHQ APPROVAL ALSO GIVEN FOR TRANSFER OF [] TO
OPEN [] AT VIRGINIA NATIONAL BANK AS SET OUT IN
RETEL. THESE FUNDS WILL BE TRANSFERRED TO NORFOLK JANUARY 30,
1978, AND NORFOLK SHOULD IMMEDIATELY FURNISH INFORMATION
CONCERNING THIS ACCOUNT TO FBIHQ.

b7E

INCLUDE NAME AND ADDRESS OF BANK, BANK OFFICIAL TO WHOSE
ATTENTION MONEY SHOULD BE DIRECTED AND SPECIFIC ACCOUNT
NUMBER. []

BT

NOTE: This investigation concerns ITSP-FBW investigation whereby

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JAN 23 0 44 PM '78
COMMUNICATIONS SECTION

Assoc. Dir.	_____
Dep. AD Adm.	_____
Dep. AD Inv.	_____
Asst. Dir.:	_____
Adm. Serv.	_____
Crim. Inv.	_____
Fin. & Pers.	_____
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Legal Coun.	_____
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Spec. Inv.	_____
Tech. Servs.	_____
Training	_____
Public Affs. Off.	_____
Telephone Rm.	_____
Director's Sec'y	_____

NF0665 0262320Z
OO HQ HO MM NK WF
DE NF
O 262246Z JAN 78
FM NORFOLK (87-6085) (P)
TO DIRECTOR PRIORITY
HOUSTON ROUTINE
MIAMI (87-39616) PRIORITY
NEWARK (196-89) ROUTINE
WFO (196-59) IMMEDIATE
BT
CLEAR

guk

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87-1-638-8

[redacted] ITSP - FBW, OO: MIAMI.
[redacted] JANET E. DENEE; [redacted]

[redacted] DBA ORDER OF ST. JOHN OF JERUSALEM; KNIGHTS OF
MALTA, FBW, OO: NEWARK.
DR. JERE E. DENNE; EARNEST MANDELL; [redacted]

V-6 DE-52 87-

REPRESENTING SOVEREIGN ORDER OF ST. JOHN OF JERUSALEM AND
DBA ESTONNE LIMITED, 215 - 38TH STREET, SURFSIDE, FLORIDA,
ITSP - FBW, OO: NORFOLK.

RE NORFOLK TELETYPE TO MIAMI DATED JANUARY 23, 1978;
MIAMI TELETYPE TO BUREAU, NORFOLK, AND OTHERS DATED

tel NF, MM, NK, WFO + HO
1/27/78 WJR/m

146690-
NOT RECORDED
FEB 3 1978

22 JAN 31 1978

SA [redacted] 1/27/78
JAC NF
SA [redacted]
UC assignment
SAC MM approve
UC of [redacted]

57 FEB 27 1978

PAGE TWO NF 87-6085 CLEAR

NR
JANUARY 25, 1978; AND WFO TELETYPE TO BUREAU, NORFOLK, AND
OTHERS DATED JANUARY 26, 1978.

FOR THE INFORMATION OF THE BUREAU AND HOUSTON,

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PAGE FOUR NF 87-6085 CLEAR

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SUBJECT DENNE HAS INDICATED A WILLINGNESS TO TRAVEL TO
NORFOLK, VIRGINIA, TO EXPLAIN LOAN TRANSACTIONS TO VNB
OFFICIALS. BANK OFFICIALS HAVE INDICATED WILLINGNESS TO
ALLOW UNDERCOVER FBI AGENT TO POSE AS [REDACTED]

[REDACTED] AND IN THIS CAPACITY

TO MEET WITH SUBJECTS AT NORFOLK.

PAGE FIVE NF 87-6085 CLEAR

[REDACTED] HAS ALSO ADVISED [REDACTED]

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AUSA [REDACTED]

NORFOLK, VIRGINIA, HAS

ADVISED [REDACTED]

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[REDACTED] HAS ALSO ADVISED THAT [REDACTED]

NORFOLK TO OPEN [REDACTED]

AT VNB AND REQUEST TRANS-

FER OF [REDACTED] TO THIS ACCOUNT IN ORDER THAT INFORMATION RE-

GARDING FUNDS MAY BE TRANSMITTED TO [REDACTED] HAS BEEN

ADVISED THAT [REDACTED]

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b7E

PAGE SIX NF 87-6035 CLEAR

DENNE AND ASSOCIATES HAVE ATTEMPTED SIMILAR LOAN
DEAL AT WASHINGTON, D. C., AND WFO AGENTS FAMILIAR WITH
DENNE'S OPERATION. NORFOLK REQUESTS THAT AN AGENT FROM
WFO FAMILIAR WITH THIS OPERATION BE UTILIZED IN AN UNDER-
COVER CAPACITY AS [REDACTED]

b6
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[REDACTED] TO NEGOTIATE WITH DENNE WHEN SHE
TRAVELS TO NORFOLK. UACB, A WFO AGENT WILL HANDLE THIS
ASSIGNMENT.

WFO IS REQUESTED TO IMMEDIATELY ADVISE THE IDENTITY
AND COVER NAME OF THE AGENT SELECTED IN ORDER THAT COVER
NAME CAN BE FURNISHED TO VNB AND TO [REDACTED]

1/27/78
WFO
supervisor [REDACTED]
advised his views
are known to
several of the
subjects.

NORFOLK WILL FURNISH THE BUREAU APPROPRIATE INFORMATION
REGARDING [REDACTED] AT VNB AS SOON AS ACCOUNT OPENS ON
JANUARY 27, 1978.

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BT

WF0858 0260258Z

PP HI HO NK NF MM

DE WF

P 250258Z JAN 78

FM WASHINGTON FIELD (196-59)

TO DIRECTOR PRIORITY

HOUSTON PRIORITY

NEWARK (196-89) PRIORITY

NORFOLK (17-) PRIORITY

MIAMI (87-39616) PRIORITY

BT

CLEAR

ATTENTION BUREAU SUPERVISOR [REDACTED]

[REDACTED], ITSP, FBW, (OO:MIAMI)

[REDACTED] JERET E. DENNE; [REDACTED]

[REDACTED] DBA ORDER OF ST. JOHN OF JERUSALEM, KNIGHTS OF
MATTIA, FBW, (OO:NEWARK)

3 DR. JARE E. DENNEE; EARNEST MENDEL, [REDACTED]

REPRESENTING SOVEREIGN ORDER OF ST. JOHNS OF JERUSALEM AND
DBA ESTONNE LTD, 215 88TH STREET, SUPERSIDE, FLORIDA, ITSP-
FBW, (OO:NORFOLK)

RE MM IMMEDIATE TEL OF JANUARY 25, 1978, TO DIRECTOR.

DE-52

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NOT RECORDED
32 FEB 7 1978

17 FEB 1 1978

Assoc. Dir. _____
Dep. AD Adm. _____
Dep. AD Inv. _____
Asst. Dir.: _____
Adm. Serv. _____
Crim. Inv. _____
Fin. & Pers. _____
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Intell. _____
Laboratory _____
Legal Coun. _____
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Rec. Mgnt. _____
Spec. Inv. _____
Tech. Servs. _____
Training _____
Public Affs. Off. _____
Telephone Rm. _____
Director's Sec'y _____

ORIGINAL FILED IN 87-141638-7

57 FEB 27 1978

PAGE TWO WF 196-59 CLEAR

AT 6:15 P.M., SUBJECTS [REDACTED]

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[REDACTED] APPEARED AT THE AMERICAN SECURITY AND TRUST COMPANY, WASHINGTON, D. C. (WDC), AND PRESENTED [REDACTED] ASSISTANT VICE PRESIDENT AND BRANCH MANAGER, WITH A LIST ALLEGEDLY OF \$35 MILLION WORTH OF CANADIAN GOVERNMENT AND "AAA" BONDS THAT [REDACTED] IS HOLDING IN TRUST. PRESENT WITH [REDACTED] WAS A WASHINGTON FIELD UNDERCOVER SPECIAL AGENT (UCSA), WHO WITNESSED THE EXCHANGE.

WASHINGTON FIELD HAS PRELIMINARILY PRESENTED THIS MATTER TO AUSA [REDACTED] DEPUTY CHIEF OF THE FRAUD SECTION, U.S. ATTORNEY'S OFFICE, WDC. [REDACTED] IS OF THE OPINION THAT [REDACTED]

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[REDACTED]

BASED ON THE ABOVE, WASHINGTON FIELD UCSAS WILL MEET WITH [REDACTED] ON JANUARY 26, 1978, FOR FURTHER NEGOTIATIONS CONCERNING THE DEAL THE SUBJECTS ARE TRYING TO ARRANGE THROUGH AS&TC FOR \$35 MILLION.

SUBJECTS HOPE TO USE ACCOUNT AT AS&TC ESTABLISHED BY WASHINGTON FIELD AND GOOD REPUTATION OF UCSAS TO PLEDGE

PAGE THREE WF 196-59 CLEAR

THEIR CANADIAN PAPER AS COLLATERAL FOR A \$35 MILLION LOAN FROM AS&IC. INVESTIGATION HAS DETERMINED, HOWEVER, THAT SUBJECTS HAVE NO CANADIAN BONDS. THIS FACT WAS DETERMINED THROUGH MERRIL LYNCH, PIERCE, FENNER AND SMITH (MLPF&S). SUBJECTS MAY ADDITIONALLY PRODUCE A COUNTERFEIT DOCUMENT AS PROOF OF THEIR TRUST RELATIONSHIP WITH THIS CANADIAN PAPER TO UCSAS OR AS&IC OR MAY GO BACK TO MLPF&S WITH A COUNTERFEIT LETTER OF CREDIT FROM UCSAS TO SECURE THE \$35 MILLION IN LEGITIMATE BONDS.

WHICHEVER COURSE THIS ACTIVITY TAKES, WASHINGTON FIELD WILL CONTINUE TO MAINTAIN CONTACT WITH AUSA RECEIVING OFFICES AND SUBJECTS.

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pk NFO 699 0381747Z

OO HQ

DE NF

O 071745Z FEB 78

FM NORFOLK (87-6085) P

TO DIRECTOR IMMEDIATE

BT

CLEAR

ATTENTION [] ROOM 6040

DR. JERE E. DENNE; ET AL, ITSP-FBW, OO: NORFOLK.

RE BUREAU AIRTEL TO NORFOLK JANUARY 30, 1978.

ON FEBRUARY 7, 1978, [] WIRE ROOM,

VA. NATIONAL BANK (VNB), NORFOLK, VA., REQUESTED TO

WIRE [] FROM ACCOUNT OF []

[] VNB ACCOUNT NUMBER [] TO FEDERAL

RESERVE BANK, NEW YORK CITY, USING CODE []

SYMBOL [] ADVISED FUNDS WOULD BE

WIRED THIS DATE.

BT

RECEIVED
FEB 7 12 51 PM '78
FEDERAL BUREAU
OF INVESTIGATION
COMMUNICATIONS SECTION

Assoc. Dir. _____
Dep. AD Adm. _____
Dep. AD Inv. _____
Asst. Dir.: _____
Adm. Serv. _____
Crim. Inv. _____
Fin. & Pers. _____
Ident. _____
Intell. _____
Laboratory _____
Legal Coun. _____
Plan. & Insp. _____
Rec. Mgnt. _____
Spec. Inv. _____
Tech. Servs. _____
Training _____
Public Affs. Off. _____

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REC-36

87-146690-2

9 FEB 16 1978

4 MAR 1 1978

3/98

06 2/27

1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593, 2594, 2595, 2596, 2597, 2598, 2599, 2600, 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609, 2610, 2611, 2612, 2613, 2614, 2615, 2616, 2617, 2618, 2619, 2620, 2621, 2622, 2623, 2624, 2625, 2626, 2627, 2628, 2629, 2630, 2631, 2632, 2633, 2634, 2635, 2636, 2637, 2638, 2639, 2640, 2641, 2642, 2643, 2644, 2645, 2646, 2647, 2648, 2649, 2650, 2651, 2652, 2653, 2654, 2655, 2656, 2657, 2658, 2659, 2660, 2661, 2662, 2663, 2664, 2665, 2666, 2667, 2668, 2669, 2670, 2671, 2672, 2673, 2674, 2675, 2676, 2677, 2678, 2679, 2680, 26

Dec 04 2004
Telephone Bill
BPPC VZ ON
Internet
Local Phone
Phone Mail
Land Line
Fax
Cellular

NFOG87 0320004Z

RR HQ HO MM NK WFO

DE-NF

R 0320000Z FEB 78

FM NORFOLK (87-6085) P

TO DIRECTOR (ROUTINE)

HOUSTON (196-60) ROUTINE

MIAMI (87-39616) ROUTINE

NEWARK (196-89) ROUTINE

WFO (196-59) ROUTINE

BT

CLEAR

ATTENTION: ITSP - TRANSPORTATION CRIMES UNIT.

[REDACTED] ITSP - FBW; OO: MIAMI.

[REDACTED] JERET E. DENNE; [REDACTED]

[REDACTED] DBA ORDER OF ST. JOHN OF JERUSALEM, KNIGHTS OF MALTA;

FRAUD BY WIRE; OO: NEWARK.

DR. JERE E. DENNE; ERNEST M. MANDEL; [REDACTED] REPRESENTING

THE SOVEREIGN ORDER OF ST. JOHN OF JERUSALEM AND DBA ESTONNE,

LTD., 215 88TH STREET, SURFSIDE, FLORIDA; ITSP - FBW; OO:

NORFOLK.

RE WFO TELETYPE TO BUREAU, NORFOLK AND OTHERS DATED [REDACTED]

1-31 DE-54

NOT RECORDED

38 FEB 9 1978

55 FEB 28 1978

Assoc. Dir. _____
Dep. AD Adm. _____
Dep. AD Inv. _____
Asst. Dir.: _____
Adm. Serv. _____
Crim. Inv. _____
Fin. & Pers. _____
Ident. _____
Intell. _____
Laboratory _____
Legal Coun. _____
Plan. & Insp. _____
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Spec. Inv. _____
Tech. Servs. _____
Training _____
Public Affs. Off. _____
Telephone Rm. _____
Director's Sec'y _____

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87-146690-13
ORIGINAL FILED IN

PAGE TWO NF 87-6085 CLEAR

JANUARY 31, 1978; NEWARK TELETYPE TO HOUSTON, MIAMI, NORFOLK, WFO AND RICHMOND DATED JANUARY 30, 1978; NORFOLK TELETYPE TO BUREAU AND MIAMI DATED JANUARY 29, 1978; BUREAU TELETYPE TO NORFOLK, MIAMI, NEWARK, WFO AND HOUSTON DATED JANUARY 28, 1978; AND NORFOLK TELETYPE TO BUREAU, MIAMI, WFO, HOUSTON AND NEWARK DATED JANUARY 27, 1978.

SA [REDACTED] MIAMI DIVISION, ACTING IN AN UNDERCOVER CAPACITY (UCSA), AS [REDACTED]

[REDACTED], NORFOLK,

VIRGINIA, IN CONTACT WITH SUBJECT DENNE ON JANUARY 30 AND 31, 1978. UCSA ADVISED [REDACTED]

[REDACTED] FOR THE SOVEREIGN ORDER OF ST. JOHN OF JERUSALEM.

UCSA ADVISED [REDACTED]

[REDACTED] AND CONFIRMED

RESPONSIBILITY OF BANK FOR SUBSEQUENT TRANSFER OF FUNDS UPON ACCEPTANCE OF COLLATERAL TO BE FURNISHED BY DENNE.

DENNE ADVISED SHE WILL SET UP EXCROW ACCOUNT AND HAVE BANK CONFIRM AVAILABILITY OF SECURITIES FOR COLLATERAL, AND

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PAGE THREE NF 87-6085 CLEAR

FURTHER STATED THAT SHE MAY HAVE LETTERS OF CREDIT TO USE AS
COLLATERAL FOR LOAN.

UCSA HAS ADVISED DENNE HE IS TO TRAVEL TO GALVESTON, TEXAS,
TO CLOSE DEAL AND CAN MEET WITH HER IN MIAMI DURING NEXT WEEK IF
NECESSARY. DENNE WAS ADVISED [REDACTED]

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[REDACTED] WOULD BE AVAILABLE AT VNB FOR CONSULTATION IF NECESSARY.

[REDACTED]

PAGE FOUR NF 87-6085 CLEAR

AUSA [REDACTED] EASTERN DISTRICT OF VIRGINIA,
NORFOLK, VIRGINIA, ADVISED [REDACTED]

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[REDACTED]
[REDACTED] AUSA [REDACTED] HAS ISSUED SUBPOENAS
FOR [REDACTED]

[REDACTED] AT A FEDERAL GRAND JURY IN RICHMOND, VIRGINIA,
ON [REDACTED] SUBPOENAS ALSO ISSUED FOR [REDACTED]

[REDACTED]
[REDACTED] UCSA WILL HANDCARRY SUBPOENAS TO MIAMI DIVISION AND HOLD
SERVICE IN ABEYANCE WHILE FURTHER NEGOTIATIONS WITH DENNE IN
PROGRESS. SUBPOENAS FOR [REDACTED]

WILL BE FORWARDED TO HOUSTON DIVISION FOR SERVICE BY AGENT AT
HOUSTON.

NEWARK HAS HELD INVESTIGATION REGARDING DENNE IN ABEYANCE
WHILE NEGOTIATIONS IN PROGRESS AT NORFOLK, AND THERE APPEARS TO

PAGE FIVE NF 87-6085 CLEAR

BE NO FURTHER REASON FOR THIS ACTION. NEWARK SHOULD CONSIDER
UTILIZING UCSA FOR CONTACT WITH DENNE AND CONDUCT APPROPRIATE
INVESTIGATION.

BT

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PP HI HO LA LV NK NF MM

DE WF

P 311530Z J A N 78

FM WASHINGTON FIELD (196-59)

TO DIRECTOR PRIORITY

HOUSTON PRIORITY

LOS ANGELES PRIORITY (LA VIA FBIHQ)

LAS VEGAS PRIORITY

NEWARK (196-69) PRIORITY

NORFOLK PRIORITY

MIAMI (87-39616) PRIORITY

BT

CLEAR

ATTENTION BUREAU SUPERVISOR

ITSP, FBW, (OO:MIAMI)

JERET E. DENNE;

DOING BUSINESS AS ORDER OF SAINT JOHN OF

JERUSALEM, KNIGHTS OF MALTA, FBW, (OO:NEWARK)

DR. JARE E. DENNEE; EARNEST MENDEL,

REPRESENTING SOVERIGN ORDER OF SAINT JOHNS OF JERUSALEM

AND DOING BUSINESS AS ESTONNE LIMITED, 215 88TH STREET,

Surfside, Fl.

87-146690-

NOT RECORDED

35 FEB 7 1978

TELETYPE TO:

Assoc. Dir. _____
Dep. AD Adm. _____
Dep. AD Inv. _____
Asst. Dir.: _____
Adm. Serv. _____
Crim. Inv. _____
Fin. & Pers. _____
Ident. _____
Intell. _____
Laboratory _____
Legal Coun. _____
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Rec. Mgmt. _____
Spec. Inv. _____
Tech. Servs. _____
Training _____
Public Affs. Off. _____
Telephone Rm. _____
Director's Sec'y _____

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87-146638-1

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PAGE TWO WF 196-59 CLEAR

SURFAIDE, FLORIDA, ITSP-FBW, (OO:NORFOLK)

RE WFO TELETYPE 1/26/78.

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UNDERCOVER SPECIAL AGENTS (UCSAS) MET WITH [REDACTED]

[REDACTED] AND FIRST NAME UNKNOWN (FNU)

[REDACTED]
WASHINGTON, D. C. (WDC). THE MEETING LASTED FORTY-FIVE MINUTES. (FNU) [REDACTED] DESCRIBED AS WHITE MALE, TWENTY-FIVE TO TWENTY-EIGHT YEARS OLD, BLACK HAIR, NO FURTHER ID.

[REDACTED] DESCRIBED [REDACTED]
[REDACTED]

DURING MEETING UCSAS ADVISED THAT THE DOCUMENT DELIVERED BY SUSPECTS JANUARY 25, 1978, TO AMERICAN SECURITY AND TRUST WAS NOT A SUFFICIENT DESCRIPTION OF THE CANADIAN BONDS BEING OFFERED BY SUBJECTS AS COLLATERAL FOR LOAN AND THAT SERIAL NUMBERS AND CUSIP NUMBERS WERE REQUIRED. SUBJECTS REFUSED TO GIVE THESE FOR THE REASON THAT UCSAS COULD THEN IDENTIFY THE INVESTORS. SUBJECTS PUSHED FOR A COMMITMENT FROM AMERICAN SECURITY AND TRUST TO ISSUE THE \$35 MILLION LOAN CONDITIONED UPON RECEIPT OF IDENTIFICATION NUMBERS. SUBJECTS REFUSED TO

PAGE THREE WF 196-59 CLEAR

IDENTIFY REFERENCES, OTHER BANKERS OR OTHER PROJECTS FUNDED. MEETING ENDED WITH UCSAS EXPRESSING DOUBT AS TO WILLINGNESS OF AMERICAN SECURITY AND TRUST TO ISSUE SUCH A CONDITIONAL COMMITMENT WITH SUCH A LARGE AMOUNT INVOLVED.

APPROXIMATELY 2:30 P.M., UCSAS TELEPHONICALLY CONTACTED

[REDACTED] CALIFORNIA, A PARTNER WITH SUBJECTS IN EDEN CORPORATION, LAS VEGAS, NEVADA, AND ALLEGEDLY THE MAN INVOLVED IN PURCHASE OF LANDMARK HOTEL/CASINO, LAS VEGAS. UCSAS EXPRESSED DISCONTENT OVER CONDUCT OF SUBJECTS AND THEIR BUSINESS PRACTICES AND REQUESTED THAT [REDACTED] CONTACT SUBJECTS IN EFFORT TO OBTAIN MORE SPECIFIC DATA. UCSAS SUGGESTED THAT THEY ISSUE TO SUBJECTS A WRITTEN COVENANT AGREEING NOT TO ATTEMPT IDENTIFICATION OF INVESTORS IN EXCHANGE FOR SERIAL NUMBERS AND/OR CUSIP NUMBERS.

ON JANUARY 27, 1978, [REDACTED] TELEPHONICALLY CONTACTED UCSAS TO ADVISE THAT THE PROPOSED COVENANT WAS UNACCEPTABLE AND TO RESTATE THE NEED FOR A CONDITIONAL COMMITMENT FROM AMERICAN SECURITY AND TRUST. [REDACTED] WAS ADVISED THAT AMERICAN SECURITY AND TRUST WOULD NOT AGREE TO SUCH A COMMITMENT. A CONFERENCE CALL BETWEEN UCSAS, [REDACTED] AND SUBJECTS WAS

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PAGE FOUR WF 196-59 CLEAR

CONDUCTED SIXTY MINUTES LATER. UCSAS AGAIN COMPLAINED OF LACK OF COOPERATION BY SUBJECTS AND OFFERED COVENANT. SUBJECTS REJECTED COVENANT AND PLEADED FOR CONDITIONAL COMMITMENT. UCSAS BROKE OFF NEGOTIATIONS DUE TO INTRANSIGENCE OF SUBJECTS AND SUGGESTED THAT FUTURE TRANSACTIONS MIGHT BE MORE PROFITABLE.

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DURING AFTERNOON OF JANUARY 27, 1978, [REDACTED] AGAIN CONTACTED UCSAS AND PROPOSED A DEAL ENTIRELY SEPARATE FROM SUBJECTS.

[REDACTED] SUGGESTED THAT HE MIGHT BE ABLE TO SECURE LETTERS OF CREDIT OR CERTIFICATES OF DEPOSIT FROM HOME SAVINGS AND LOAN, CALIFORNIA. UCSAS AGREED TO ACCEPT SUCH LETTERS OF CREDIT OR CERTIFICATES OF DEPOSIT AS SECURITY PROVIDED A BANK TO BANK VALIDATION COULD BE ARRANGED. [REDACTED] AGREED TO RECONTACT UCSAS.

LIASON HAS BEEN MAINTAINED THROUGHOUT WITH ASSISTANT UNITED STATES ATTORNEYS (AUSA), WDC AND MIAMI. UPON CONSOLIDATION OF ALL INFORMATION ACQUIRED DURING ABOVE DESCRIBED CONTACTS, PRESENTATION WILL BE MADE TO AUSAS.

PAGE FIVE WF 196-59 CLEAR

LEADS. LAS VEGAS. AT LAS VEGAS, NEVADA. ATTEMPT TO IDENTIFY EDEN CORPORATION, ITS INCORPORATORS, AND CURRENT CORPORATE STATUS.

LOS ANGELES. AT SAN CLEMENTE, CALIFORNIA. WILL DISCREETLY IDENTIFY [REDACTED] AND ATTEMPT TO DEVELOP BACKGROUND INFORMATION. NOTE THAT [REDACTED] IS BELIEVED TO HAVE PARTICIPATED WITH SUBJECTS IN ORIGINAL SCHEME.

BT

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FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ Airtel

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ E F T O
☐ CLEAR

AIRTEL

Date 2/13/78

TO: DIRECTOR, FBI
 Attn: Supervisor Room 6040

FROM: SAC, NORFOLK (87-6085)(P)

Dr. JERE E. DENNE;
 ET AL
 ITSP; FBW

OO: NORFOLK

Re Norfolk telephone call, 2/10/78.

Referenced telephone call advised that Federal Reserve Bank, New York City, did not recognize the account number and returned wired money back to the Virginia National Bank.

Enclosed is a cashier's check for The funds are being returned as they are no longer needed for This money was forwarded to Norfolk by airtel, 1/30/78.

REC-45

87-146690-4

11 MAR 10 1978

EX-111

Enclosed check and cc detached in Budget & Accounting Section 2/14/78

13 [Signature] Rm 1388

Check for detached and sent to the Federal Reserve Bank, Richmond, VA. See Certificate of Deposit and Schedule of Collection # 273, dated 3/10/78.

②-Bureau (Enc. 1)
 2-Norfolk
 PFE:gfh (4)

ENCLOSURE

Approved: *JRH*

Transmitted

(Number)

(Time)

Per

MAR 13 1978

100-100000-100000

100-100000-100000

100-100000-100000

100-100000-100000

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100-100000-100000

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100-100000-100000

UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI

DATE: 2/17/78

FROM : SAC, NORFOLK (87-6085) (P)

JRH/GHC

SUBJECT: [REDACTED];

ET AL
ITSP - FBW

(OO: MIAMI)

[REDACTED]
ET AL
FBW

(OO: NEWARK)

DR. JERE E. DENNE;
ET AL
ITSP - FBW

(OO: NORFOLK)

Re Norfolk teletype to the Bureau dated 1/28/78
and Bureau airtel to Norfolk dated 2/3/78.

Referenced Bureau airtel granted authorization
for use of a body recorder and transmitter in captioned case.

The authorized body recorder and transmitter was
not used.

2 - Bureau
2 - Norfolk

JMR:nhw
(4)

~~14 FEB 27 1978~~



5010-110

NOT RECORDED

18 MAR 1 1978

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

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ORIGINAL FILED IN

146638-16

87

SIX

671

3 1978

NF0729 0452359Z

PP HQ HQ MM PP NK W

DE NF

0452359Z FEB 78

FM NORFOLK (87-6085) P

TO DIRECTOR ROUTINE

HOUSTON (196-60) PRIORITY

MIAMI (77-39616) PRIORITY

MINNEAPOLIS PRIORITY

NEWARK (196-89) ROUTINE

WFO (196-59) ROUTINE

BT

CLEAR

[REDACTED] ET AL, ITSP-FBW, OO: MIAMI.

[REDACTED] ET AL, ITSP-FBW, OO: NEWARK.

DR. JERE E. DENNE; ET AL, ITSP - FBW, OO: NORFOLK.

RE NORFOLK TELETYPE TO BUREAU AND OTHERS

FEBRUARY 1, 1978, AND NORFOLK AIRTEL TO HOUSTON

FEBRUARY 7, 1978.

ON FEBRUARY 10, 1978, CONTRACT FORWARDED TO UCSA

[REDACTED] VA. NATIONAL BANK (VNB), NORFOLK, VA.,

FROM LAW OFFICE OF [REDACTED]

Assoc. Dir. _____
Dep. AD Adm. _____
Dep. AD Inv. _____
Asst. Dir.: _____
Adm. Serv. _____
Crim. Inv. WHL
Ident. _____
Intell. _____
Laboratory _____
Legal Coun. _____
Plan. & Insp. _____
Rec. Mgmt. _____
Tech. Servs. _____
Training _____
Public Affs. Off. _____
Telephone Rm. _____
Director's Sec'y _____

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146690-
ORIGINAL FILED IN 87-146690-
FEB 22 1978

87-146690-

NOT RECORDED
18 FEB 27 1978

56 MAR 1 1978

[REDACTED],
TELEPHONE [REDACTED] CONTRACT

PROPOSED AN ESCROW ACCOUNT BE OPENED AT THE VNB ON
BEHALF OF DR. JERET DENNE, TRUSTEE FOR THE ORDER OF
ST. JOHN OF JERUSALEM.

[REDACTED] ADVISED HE REPRESENTED DENNE AND STATED
ORDER OF ST. JOHN HAD ARRANGED FOR LOAN OF TWENTY-FIVE
MILLION DOLLARS TO BANCO NATIONALE, DE FOMENTO CORPORATIVE
(MEXICO), WITH LOAN TO BE FUNDED BY ALGEMENE BANK,
AMSTERDAM, HOLLAND.

TERMS SET OUT IN THE LETTER INDICATED THE VNB
WAS TO NOTIFY THE ALGEMENE BANK, TELEX 13048, UPON
CONFIRMATION OF THE AVAILABILITY OF FUNDS NECESSARY
TO FUND THE LOAN.

CONTAINED IN AGREEMENT WAS INFORMATION THAT THE
BORROWER WOULD BE REPRESENTED BY [REDACTED]

[REDACTED]
NOT KNOWN TO NORFOLK DIVISION AND HAD NOT BEEN MENTIONED

PAGE THREE 1 37-6875 CLEAR

IN NEGOTIATIONS UNTIL THIS TIME.

AGREEMENT WAS TO BE SIGNED BY VNB OFFICER AND
RETURNED TO ATTORNEY [REDACTED]

ON FEBRUARY 13, 1978, SUBJECT DENNE WAS CONTACTED
BY UCSA [REDACTED] AND ADVISED THE VNB HAD DECIDED
AGAINST ENTERING INTO ANY ESCROW AGREEMENT WITH THE
ORDER OF ST. JOHN AND WISHED TO HAVE NOTHING FURTHER
TO DO WITH BILLION DOLLAR LOAN. DENNE WAS FURTHER
ADVISED THAT THE BANK WOULD NO LONGER BE REPRESENTING
[REDACTED]

ON FEBRUARY 14, 1978, [REDACTED]

[REDACTED]

ON FEBRUARY 14, 1978, DENNE CONTACTED [REDACTED]

[REDACTED] VNB, NORFOLK, AND

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PAGE FOUR NF 87-6085 CLEAR

ADVISED UCSA [REDACTED] HAD COMMITTED VNB TO ACT AS ESCROW AGENTS IN LOAN BEING PLACED THROUGH THE ORDER OF ST. JOHN. [REDACTED] STATED DENNE REQUESTED CONFIRMATION OF THE AVAILABILITY OF FUNDS FOR LOAN AND THAT SHE ALSO WANTED DOCUMENTS FURNISHED TO THE VNB BY ATTORNEY [REDACTED] RETURNED TO HER.

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HE WAS ADVISED THAT NO COMMITMENTS HAD BEEN MADE FOR THE VNB AND HE INDICATED SHOULD DENNE CONTACT HIM AGAIN, HE WOULD TELL HER THAT THE MATTER WAS BEING HANDLED BY UCSAS [REDACTED] AND HE KNEW NOTHING ABOUT THE MATTER.

MIAMI AT MIAMI, FLORIDA. WILL SERVE SUBPOENAS PREVIOUSLY HANDCARRIED TO MIAMI. WILL ATTEMPT TO DETERMINE NATIONAL AND/OR INTERNATIONAL HEADQUARTERS AND CORPORATE OFFICERS FOR THE ORDER OF ST. JOHN OF JERUSALEM, NOTING THAT THE ORDER RECEIVED ITS TAX EXEMPT STATUS AT PALM BEACH, FLORIDA. WILL ALSO INTERVIEW ATTORNEY [REDACTED] AND CONDUCT OTHER APPROPRIATE INVESTIGATION.

PAGE FIVE NF 87-6000 CLEAR

MINNEAPOLIS AT MINNEAPOLIS. WILL REPORT RESULTS
OF INVESTIGATION PREVIOUSLY CONDUCTED IN ORDER THAT

AUSA [REDACTED] NORFOLK. MAY ISSUE SUBPOENA

FOR [REDACTED]

[REDACTED] BEFORE FGJ AT RICHMOND, VA.

ON [REDACTED]

HOUSTON AT HOUSTON. WILL SERVE SUBPOENA FORWARDED
TO HOUSTON BY RE AIRTEL AND INTERVIEW [REDACTED]

[REDACTED]
BT

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FBI

TRANSMIT VIA:

- ☐ Teletype,
☐ Facsimile
☐ Airtel

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ E F T O
☐ CLEAR

AIRTEL

Date 2/27/78

TO: DIRECTOR, FBI
 ATTENTION: IDENTIFICATION DIVISION

FROM: SAC, NORFOLK (87-6085) (P)

DR. JERE E. DENNE;

ET AL

ITSP - FBW (D)

OO: Norfolk

Re Norfolk teletype to Bureau and others

2/14/78.

Enclosed for the Identification Division are fingerprint cards from JERE EMERULDE DENNE and ERNEST M. MANDEL.

REQUEST OF THE BUREAU

The Identification Division is requested to determine if either DENNE or MANDEL has been previously arrested and to furnish Norfolk with the Identification Record of both individuals if located.

2 - Bureau (Enc. 2) *lgm*
 2 - Norfolk
 JMR:dsj
 (4)

17 MAR 15 1978

SEARCHED *DE* INDEXED *DE*
 SERIALIZED *DE* FILED *DE*
 FEB 28 1978
 FBI - WASH. FIELD OFFICE

Approved: *JRH*

Transmitted

(Number)

(Time)

Per

MAR 3 10 10 PM '78

REC'D IDENT DIV.
FBI

RECEIVED
CRIMINAL
INVESTIGATION
DIVISION

MAR 15 12 43 PM '78

F.B.I.
U.S. DEPT. OF JUSTICE

(1)
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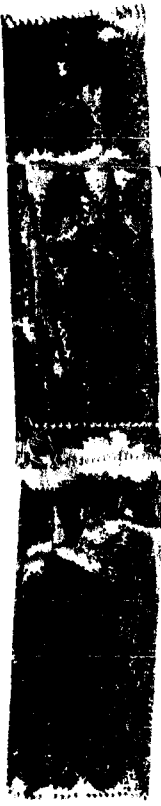
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FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☐ Airtel

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ E F T O
☐ CLEAR

AIRTEL

Date **3/21/78**

TO: DIRECTOR, FBI

FROM: SAC, NORFOLK (87-6085) (P)

CHANGED

Dr. JERE E. DENNE, aka
 Jeret E. Denne;
 ERNEST M. MANDEL, aka
 Earnest Mandell.

Sovereign Order of Saint John
 of Jerusalem, aka
 Sovereign Order of St. John
 of Jerusalem;
 Estonne, Ltd.,
 215 88th Street
 Surfside, Florida
 ITSP; FRAUD BY WIRE (D)

(OO: NORFOLK)

- 2 - Bureau (Enc. 18)
 2 - Boston (Enc. 2)
 2 - Cincinnati (Enc. 2)
 2 - Detroit (Enc. 2)
 2 - Houston (196-60)(Enc. 4)
 2 - Jacksonville (196-53)(Enc. 2)
 2 - Los Angeles (Enc. 2)
 2 - Miami (87-36616)(Enc. 12)
 2 - Minneapolis (196-80)(Enc. 8)
 2 - Newark (196-89)(Enc. 8)
 2 - New York (Enc. 2)
 2 - Philadelphia (Enc. 6)
 2 - Salt Lake City (Enc. 2)
 2 - San Diego (Enc. 4)
 2 - San Francisco (Enc. 6)
 2 - WFO (196-59)
 2 - Norfolk

JMR:nhw (34)

17 MAR 25 1978

Approved: 5/24/78

Transmitted _____

(Number)

(Time)

Per _____

NF 87-6085

Title marked changed to show aliases for DENNE and MANDEL and to add subjects [redacted] to title. Different spellings of Sovereign Order of Saint John of Jerusalem also changed.

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Re Norfolk teletype to the Bureau and others, dated 2/14/78.

Enclosed for the Bureau are six copies of an LHM regarding the subjects for transmittal to the Legat at Bonn, West Germany. Also enclosed for the Bureau are 12 copies of the above-mentioned LHM for transmittal to Mexico City, Mexico.

Enclosed for all receiving offices are two copies of the above-mentioned LHM.

Also enclosed for Houston are two copies of a letter from [redacted] of the Order of Saint John; and Estonne, Ltd., letter dated 1/27/78.

Also enclosed for Miami, Minneapolis and Newark are two copies of the following:

- 1) A letter from [redacted]
- 2) An escrow agreement from the law offices of [redacted] dated 2/10/78.
- 3) A page from the 10th and 11th editions of the Encyclopedia of Associations.

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Also enclosed for Philadelphia are two copies of the letter from [redacted] and two copies of the pages from the Encyclopedia of Associations.

Also enclosed for San Diego are two copies of the escrow agreement from the law offices of [redacted]

Also enclosed for San Francisco are two copies of the letter from [redacted] and two copies of the pages from the Encyclopedia of Associations.

NF 87-6085

Subject DENNE and her associates allegedly represent the Sovereign Order of Saint John of Jerusalem, which is supposed to be an organization involved in the operation of hospitals, schools, and other charitable work. There is more than one group using the name Sovereign Order of Saint John of Jerusalem and it is not clear which group DENNE and her associates are affiliated with, if they, in fact, have an affiliation with any group.

The subjects have stated that they borrow funds at favorable interest rates and reinvest these funds at a higher rate of interest with the profits from the reinvestments being used for the charitable work of the Order. The subjects have attempted to act as brokers in numerous "loan packages" and are known to have offered the same bogus "loan package" to two different banks at the same time.

The basic scheme used by the subjects involves either obtaining advance fees or using loan commitments from legitimate banks as collateral for additional loans. It appears the subjects may have been attempting to divert a 25 million dollar loan to themselves. The subjects alleged the Banco Nacional de Fomento Cooperative (Mexico) wanted to borrow 25 million dollars, but a preliminary inquiry at that bank disclosed that the bank was not attempting to obtain a loan through the Sovereign Order of Saint John of Jerusalem. Funds for this loan were to be channeled to the Banco Nacional de Fomento Cooperative through subject

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When conducting interviews in this matter, all offices are requested to obtain any available documents or records for the subjects or the Sovereign Order of Saint John of Jerusalem. In the event that the documents and records will not be furnished voluntarily, advise Norfolk; and a subpoena will be issued for the records.

Subject DENNE is described as follows:

Name	JERE E. DENNE
Race	White

NF 87-6085

Sex	Female
Date of birth	July 23, 1923
Place of birth	Boston, Massachusetts
Height	5'2"
Weight	135 pounds
Eyes	Gray
Hair	Gray

Subject MANDEL is described as follows:

Name	ERNEST M. MANDEL
Race	White
Sex	Male
Date of birth	February 23, 1920
Place of birth	Chicago, Illinois
Height	5'10 $\frac{1}{2}$ "
Weight	180 pounds
Social Security Number	323-12-0581

Subject is described as follows:

Name	
Race	
Sex	
Date of birth	

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No description available for remaining subjects.

Subjects DENNE and MANDEL have made extensive use of the following telephones in the Miami, Florida, area, (305) area code, in conducting their business:

861-3691	ERNEST M. MANDEL Associates
868-6300	Surfside Townhouses, Inc. Estonne, Ltd.
864-6339	ERNEST M. MANDEL (nonpublished)

NF 87-6085

868-7655

ERNEST MANDEL

LEADS

BOSTON

AT HAVERHILL, MASSACHUSETTS. Will interview

[REDACTED]
funds for billion dollar loans. Determine if [REDACTED] has
ever funded any loans brokered by [REDACTED] knowledge
of any projects funded by [REDACTED]

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CINCINNATI

AT WORTHINGTON, OHIO. Will contact individual at
158 West New England Avenue, regarding the Sovereign Order
of Saint John of Jerusalem which was incorporated as a tax
exempt organization at Palm Beach, Florida, on 6/30/70.
According to information obtained from the Internal Revenue
Service, records for that organization are stored at the New
England Avenue address. If possible, will determine if the
subjects are known to the individuals in possession of the
Sovereign Order of Saint John of Jerusalem records stored
in Ohio and explore any possible relationship between the
group which incorporated as a tax exempt organization in
1970 and the individuals currently under investigation.
Obtain copies of pertinent records if possible.

DETROIT

AT DETROIT, MICHIGAN. Will contact [REDACTED]
[REDACTED] Editor of the Encyclopedia of Associations, Gale
Research Company, Book Tower, Detroit (telephone number
[REDACTED]), regarding any additional information which
may be available on the Sovereign Order of Saint John of
Jerusalem and the Sovereign Order of St. John of Jerusalem.
On page 931 in Section 10 of the 11th edition (Volume 1 -
National Organizations of the United States), there is informa-
tion regarding these two organizations and an editorial note
advises that additional information may be available from the

NF 87-6085

Reader Service Bureau of Gale Research Company. Obtain a list of past and present officers for each organization, if available, and determine how long the organizations have been known to exist in the United States and world-wide, if possible.

AT ST. CLAIR SHORES, MICHIGAN. Will interview

[redacted] regarding his knowledge of the subjects and how he learned the Sovereign Order of Saint John of Jerusalem wanted to borrow a billion dollars. Determine if [redacted] has directed any loan brokers to the subjects and whether he has assisted in arranging any loans for the Sovereign Order of Saint John of Jerusalem.

HOUSTON

AT HOUSTON, TEXAS. 1) Will reinterview [redacted]

[redacted] (telephone number [redacted], regarding the identity of officers of the Sovereign Order of Saint John of Jerusalem, its national headquarters, and whether the organization enjoys a tax exempt status with the Internal Revenue Service.

2) Will exhibit to [redacted] a letter allegedly written by [redacted] noting that the letter mentions [redacted] and determine authenticity of letter and identity and location of [redacted] Also determine officers and headquarters for International Funding which is alleged to be responsible for investments for the Sovereign Order of Saint John of Jerusalem.

3) Set out lead to have [redacted] interviewed.

4) Will determine [redacted] participation in any previous metals transactions with the subjects.

For information of Houston in covering these leads

[redacted]

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JACKSONVILLE

AT JACKSONVILLE, FLORIDA. Will provide sufficient information regarding Internal Revenue Service records which contained adverse information about the Sovereign Order of Saint John of Jerusalem to enable a subpoena to be issued for these records.

LOS ANGELES

AT LOS ANGELES, CALIFORNIA. Will attempt to locate and interview [redacted] regarding his relationship with subject DENNE and the Order of Saint John of Jerusalem. Determine if [redacted] has ever acted as a broker or helped arrange any loans for the Sovereign Order of Saint John of Jerusalem.

(2) Will determine if [redacted] business associate of [redacted] and whether [redacted] had any knowledge of a loan being funded for the Banco Nacional de Fomento (Cooperative), Mexico, by DENNE and the Sovereign Order of Saint John of Jerusalem through an escrow account at the First National Bank of Minneapolis.

AT ONTARIO, CALIFORNIA. Will interview [redacted] doing business as [redacted] regarding [redacted] relationship with subject DENNE and the Sovereign Order of Saint John of Jerusalem.

(2) Will determine representations made by [redacted] at the First National Bank of Minneapolis and his part in helping arrange a loan for the Banco Nacional de Fomento (Cooperative), Mexico, which was to be funded by the Sovereign Order of Saint John of Jerusalem through an escrow account at the First National Bank of Minneapolis.

3) Determine any additional loans [redacted] may have been instrumental in setting up and the banks through which these loans were to be funded.

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MIAMI



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AT MIAMI, FLORIDA. Will attempt to locate and interview [redacted] regarding his relationship with the subjects and the Sovereign Order of Saint John of Jerusalem.

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(2) Will interview [redacted]

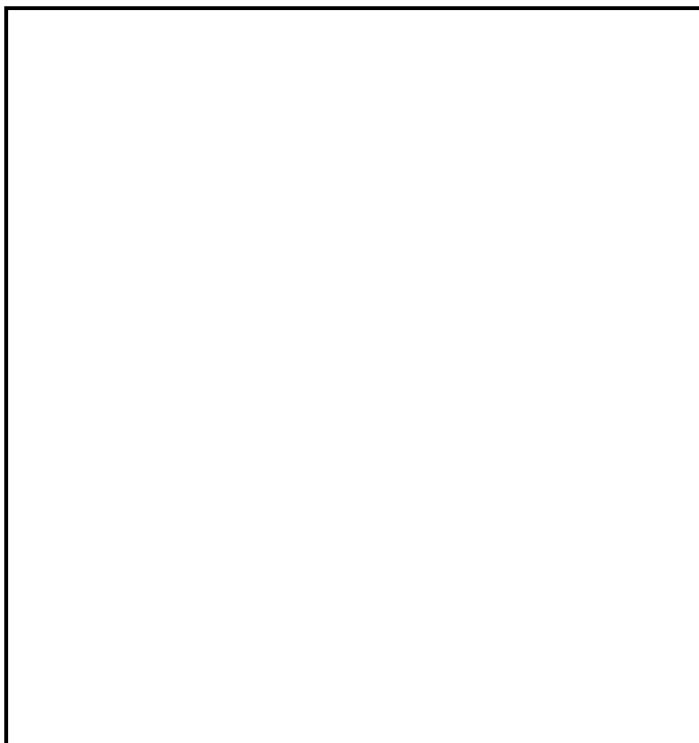
[redacted], regarding his knowledge of the Sovereign Order of Saint John of Jerusalem, and his association with the subjects. Specifically determine from [redacted] any information he may have about the 25 million dollar loan to the Banco Nacional de Fomento Cooperative (Mexico) mentioned in the escrow agreement forwarded by [redacted] to the Virginia National Bank, Norfolk, Virginia.

(3) Will interview the owner of the All Florida Copy Center, Inc., 70 Northeast 17th Street, Miami, for information regarding stationery and other items the Copy Center may have printed for the subjects. Obtain copies of all printed items, if possible.

AT PALM BEACH, FLORIDA. Will interview the following individuals to determine if the Sovereign Order of Saint John of Jerusalem, Inc., as a tax exempt organization at Palm Beach, Florida, in 1970, is associated in any way with the subjects. Also determine if any of the subjects or their activities are known to the individual being interviewed.

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MINNEAPOLIS

AT MINNEAPOLIS, MINNESOTA. 1) Will furnish results of interview of [redacted]

[redacted] First National Bank of Minneapolis.

2) Will furnish copies of all documents obtained by [redacted] during negotiations with the subjects.

NEWARK

AT NEWARK, NEW JERSEY. Will interview [redacted]
[redacted] Index International, Newark, regarding his negotiations with the subjects.

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by [] 2) Furnish copies of all documents obtained from the subjects.

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NEW YORK

AT NEW YORK CITY, NEW YORK. Will locate and interview [] through the National Bank of North America, New York City, regarding [] relationship with the subjects and the Sovereign Order of Saint John of Jerusalem. Determine if [] has helped arrange any loans for the Sovereign Order of Saint John of Jerusalem and specifically, determine the past loans which are alleged to be in the neighborhood of three to five million dollars on which [] has worked with subject DENNE.

For the assistance of New York in covering this lead, [] name was given by Attorney [] as a reference for DENNE, and [] advised that [] is a senior real estate consultant at the National Bank of North America.

[] 2) Will interview [] Algemene Bank (Midtown Office), 301 Park Avenue, New York City, to determine whether the Sovereign Order of Saint John of Jerusalem has an account at the bank, who opened the account, and when it was opened. Obtain any available documents, if possible.

For the assistance of New York in covering this lead, the account at the Algemene Bank in New York City was alleged by DENNE to have been opened as a transfer account for a 25 million dollar loan being made to the Banco Nacional de Fomento Cooperative (Mexico) after the Virginia National Bank, Norfolk, Virginia, refused to act as escrow agent in the loan.

PHILADELPHIA

AT PHILADELPHIA, PENNSYLVANIA. Will, at the Internal Revenue Service Office, review form 990 PF for a list of current officers and the compensation they receive and any other pertinent information for the Sovereign Order of Saint John of Jerusalem, which was incorporated as a tax

NF 87-6085

exempt organization at Palm Beach, Florida, in 1970.

AT SHICKSHINNY, PENNSYLVANIA. Will interview [redacted]
[redacted] Sovereign Order of Saint
John of Jerusalem (telephone number [redacted]), for
information regarding this organization and whether any
of the subjects claim affiliation with his organization.
Determine the method of fund raising for the organization
and whether the organization ever acts as a broker for
loans.

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SALT LAKE CITY

AT SALT LAKE CITY, UTAH. Will interview [redacted]
[redacted] regarding
his knowledge of the Sovereign Order of Saint John of
Jerusalem and the subjects [redacted]
[redacted]

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identity should be protected as a source of information
in this matter.

SAN DIEGO

AT SAN DIEGO, CALIFORNIA. Will interview
[redacted], Pacific
Management Associates, Inc., 3045 Rosecrans Street,
San Diego (telephone [redacted]) regarding his relationship
with the Sovereign Order of Saint John of Jerusalem and
other subjects in this case.

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2) Will determine whether [redacted] is acting
as the agent for the Banco Nacional de Fomento Cooperative
(Mexico) in a 25 million dollar loan allegedly being arranged
by the Sovereign Order of Saint John of Jerusalem for that
bank, noting that [redacted] in
an escrow agreement forwarded to the Virginia National Bank
at Norfolk, Virginia, by Attorney [redacted]

NF 87-6085

3) Will determine if [] is still seeking to obtain a loan for this bank and obtain any pertinent documents.

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4) Will determine what representations [] made to the First National Bank of Minneapolis regarding the 25 million dollar loan and determine reason attempts were being made to fund loan through escrow accounts at both the First National Bank of Minneapolis and the Virginia National Bank, Norfolk, Virginia.

5) Will determine [] participation in a gold transaction []

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Determine from [] if he has been a participant in any precious metals transactions, with DENNE or any of the other subjects.

SAN FRANCISCO

AT CUPERTINO, CALIFORNIA. Will attempt to locate and interview []
Hospitaller Order of St. John of Jerusalem, []
[] regarding the organization for which he
[] Determine if DENNE or any of the subjects
claim affiliation with his organization and obtain a list
of national officers if available.

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2) Determine the method used by the organization for raising funds and whether the organization has ever acted as a broker for loans.

WFO

AT WASHINGTON, D. C. Will interview []

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NF 87-6085

[REDACTED]

2) Will, at the Securities and Exchange Commission, determine if any of the subjects are known to that agency and whether any have been placed in the Security Violation Bulletin Index.

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NORFOLK

AT NEWPORT NEWS, VIRGINIA. Will maintain contact with AUSA [REDACTED] and cause any subpoenas needed by auxiliary offices to be issued as needed.

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For additional information of receiving offices, Legats at Bonn, West Germany, and Mexico City, Mexico, have been given the following leads which are attached:



UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

In Reply, Please Refer to
File No.

Norfolk, Virginia
March 9, 1978

Dr. Jere E. Denne, aka
Jaret E. Denne;
Ernest M. Mandel, aka
Earnest Mandell:

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[Redacted]

Sovereign Order of
Saint John of Jerusalem, aka
Sovereign Order of
St. John of Jerusalem;
Estonne, Ltd.,
215 88th Street,
Surfside, Florida
Interstate Transportation of
Stolen Property; Fraud by Wire

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[Redacted]

This document contains neither recommendations nor
conclusions of the FBI. It is the property of the
FBI and is loaned to your agency; it and its contents
are not to be distributed outside your agency.

ENCLOSURE

87-146690-6



Dr. Jere E. Denne, aka
ET AL



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The Encyclopedia of Associations contains references to a Hospitaller Order of St. John of Jerusalem which was formerly known as the Sovereign Order of St. John of Jerusalem, Knights Hospitaller (1968); Hospitaller Order of St. John of Jerusalem, Knights Hospitaller (1973); North American Grand Priories of the Hospitaller Order of St. John of Jerusalem and is also known as the Knights Hospitaller. The encyclopedia noted the Order was founded in 1964 and indicated it was an Order of chivalry under the Royal Charter and fons honorem of its late High Protector, His Majesty King Peter II of Yugoslavia. No address was available for the Order in the current edition of the encyclopedia (11th edition), but the tenth edition gave the Grand Master of the Order as Robert W. Y. Sanguszko-Formhals, 21435 Amulet Drive, Cupertino, California.

The encyclopedia also lists a Sovereign Order of Saint John of Jerusalem which was allegedly established in Jerusalem in the year 1048 by the Blessed Gerald. The encyclopedia noted this Order is also known as the Knights of Malta and that it engages in religious and charitable pursuits. Charles L. T. Pichel of Shickshinny, Pennsylvania, is the Grand Chancellor of this Order.



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Dr. Jere E. Denne, aka
ET AL

Records of the Internal Revenue Service (IRS) reveal that the Sovereign Order of St. John of Jerusalem was incorporated as a tax exempt organization at Palm Beach, Florida, on June 30, 1970. The officers at that time were Dr. George Cook Lyon, President; Dr. Paul L. Morris, Vice President; and Dr. John W. Stukenberg, Treasurer. Other members listed on IRS records were Dr. Herbert Holt, Alice T. Welsh and Robert Flamenco.

The IRS records indicate this organization was set up to focus on the field of education in mental health and to establish clinics, colleges and other institutions. No reference to Dr. Jere E. Denne was located in the incorporation records, which did not list current officers of the Order. From the available records, it was impossible to tell if the Sovereign Order of St. John of Jerusalem incorporated at Palm Beach, Florida, in 1970 was in any way affiliated with the Order as reported in the Encyclopedia of Associations.

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Dr. Jere E. Denne, aka
ET AL

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[REDACTED]

During this same time period, Denne was negotiating with [REDACTED] Index International, Newark, New Jersey, for a loan to purchase a Bahamian bank. Denne indicated that she was representing the Sovereign Order of St. John of Jerusalem, and advised [REDACTED] of the escrow account at the First City National Bank of Houston. [REDACTED] became suspicious and had his firm check with the bank in Houston to see if Denne had an established account at that bank.

Shortly after that, an individual who identified himself as [REDACTED] telephonically contacted the Houston Office of the FBI and asked if the Sovereign Order of St. John of Jerusalem and Jere Denne were being investigated by the FBI. At that time, [REDACTED] was advised that no record of an investigation could be located.

When he was subsequently interviewed by Agents of the FBI at Houston, Texas, [REDACTED] advised he is a Knighted member of the Order of Saint John of Jerusalem and head of the membership committee for the Order. [REDACTED] furnished the FBI with historical material on the Order but declined to furnish the identity of wealthy individuals who reside in Europe and allegedly provide money for the Order.

[REDACTED] said the Order has helped finance many schools and hospitals but he could not name any of them. [REDACTED] advised Jere Denne is financial adviser to the Order, whose function is to arrange for funding of the Order's work through her European contacts. He advised Ernest Mandel is Denne's partner in a corporation known as Estonne, Ltd., and said [REDACTED] is an oil and commodities broker who resides in southern California and London.

Dr. Jere E. Denne, aka
ET AL

The FBI at Norfolk began undercover operations with
Denne, [REDACTED]

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[REDACTED] Negotiations with Denne were carried on for a period of time in an attempt to have her come forward with her alleged collateral for the one billion dollar loan, but these negotiations were unsuccessful. On different occasions, Denne advised that her collateral would be in the form of Canadian securities, letters of credit and certificates of deposit, and various other collateral items.

Denne never furnished any collateral but advised she would do so after an escrow account was opened at the Virginia National Bank and the confirmation of the availability of one billion dollars was placed in the escrow account. During the negotiations, she did advise she was familiar with the Pan Asiatic Trust and knew that the funds were available from the lender. She advised she had determined the funds were available at a different emission rate than the one quoted to her, but stated she would still go through with the transaction as had been worked out during the negotiations.

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To accomplish this, Denne had [REDACTED]
an attorney located at [REDACTED]
[REDACTED] forward an escrow agreement to the Virginia National Bank via bank telecopier on February 10, 1978. In the letter of agreement, [REDACTED] advised that he represented Dr. Jere Denne who was acting as trustee for the Sovereign Order of St. John of Jerusalem, and that the purpose of the letter was to open an escrow account with the Virginia National Bank on behalf of Dr. Denne. The letter advised that the Order of St. John of Jerusalem had arranged for a 25 million dollar loan to Banco Nacional de Fomento Cooperative (Mexico). The letter instructed the Virginia National Bank to confirm the one billion dollars as being available from the Pan Asiatic Trust, and that after this confirmation was obtained, a bank wire should be directed to the Algemene Bank, Telex Number 13048-Transfer Account,

Dr. Jere E. Denne, aka
ET AL

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[redacted]
[redacted] Trustee for the account for the Sovereign
Order of St. John of Jerusalem/International Funding Number
[redacted] Order of St. John of Jerusalem/
International Funding - Leiden, Neve Breestraat Number 81,
Holland, The Netherlands.

Before the escrow agreement was received, Denne
had not mentioned that an account had been set up at the
Algemene Bank in The Netherlands. From the agreement, it was
apparent she planned to use this account to receive the proceeds
of any loan funds from the one billion dollar loan instead of
the escrow account at the First City National Bank of Houston.

The letter of agreement regarding the escrow account
indicated that the Banco Nacional de Fomento Cooperative
(Mexico) was not to be contacted directly. Notices to the
borrower were to be sent to [redacted]

[redacted]
[redacted] The letter was signed [redacted]
[redacted] on behalf of Dr. Jere Denne, Trustee for the Sovereign
Order of St. John of Jerusalem. An officer of the Virginia
National Bank, Norfolk, Virginia, was supposed to sign the
letter and return it to [redacted] along with any necessary
documents that Denne needed to execute in order to open up the
escrow account.

During the time that [redacted] was negotiating with
undercover Agents of the FBI at Norfolk, Virginia, she was
also in contact with the First National Bank of Minneapolis,
Minnesota, regarding a proposed 1.2 billion dollar escrow
account to be set up at that bank. The escrow account at
the First National Bank of Minneapolis was to be used to
fund loan transactions to the Banco Nacional de Fomento
Cooperative (Mexico) and Banco Nacional de Panama, Panama
City, Panama. The transactions proposed were similar to
those proposed to the Virginia National Bank at Norfolk,
Virginia, and [redacted] was also represented to be
the agent for the borrowers. An escrow account similar to
the one forwarded to the Virginia National Bank was sent by
attorney [redacted] to the First National Bank of Minneapolis
via telecopier.

Dr. Jere E. Denne, aka
ET AL

Denne was referred to the First National Bank of Minneapolis by [REDACTED]

[REDACTED]
associated with [REDACTED]

[REDACTED] personally appeared at the First National Bank of Minneapolis and advised that [REDACTED] and Denne formerly worked together.

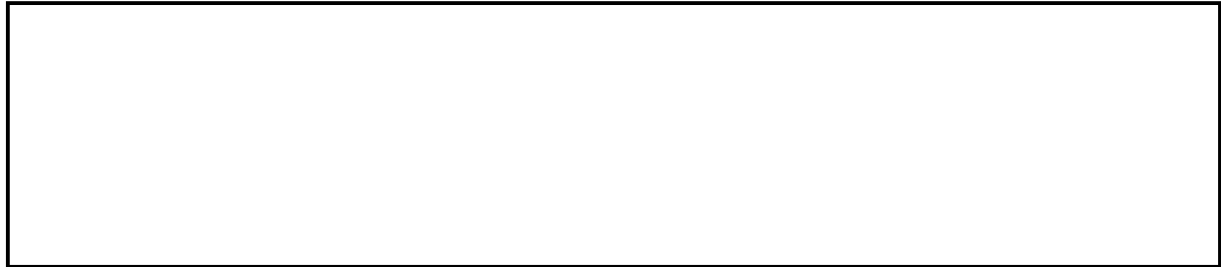
During negotiations with the First National Bank of Minneapolis, Attorney [REDACTED] gave the name of [REDACTED] National Bank of North America, New York, New York, as a reference and individual who had worked with Denne in the past. Bankers at the First National Bank of Minneapolis telephonically contacted [REDACTED] who advised he had worked with Denne on \$3 to \$5 billion deals in the past.

During negotiations with the First National Bank of Minneapolis, Denne advised that the senior member of the Order of St. John of Jerusalem is [REDACTED] located in Houston, Texas. She also stated that International Funding, Inc., is connected with the Order's accounts, but furnished no information as to the location of International Funding, Inc., offices. Additionally, during the negotiations, the First National Bank of Minneapolis received a telex message allegedly from the Banco Nacional de Panama, but officials at the bank questioned the legitimacy of the telex message.

On February 14, 1978, undercover Special Agents at Norfolk, Virginia, broke off negotiations with Denne and advised her that the Virginia National Bank was no longer interested in handling the one billion dollar loan through an escrow account set up at the bank. Negotiations were broken off due to the fact that Denne continually asked for additional concessions from the bank without expressing a willingness to make available the collateral which she was allegedly going to use for the one billion dollar loan. Subpoenas were subsequently served upon [REDACTED] [REDACTED] a Federal Grand Jury at Richmond, Virginia.

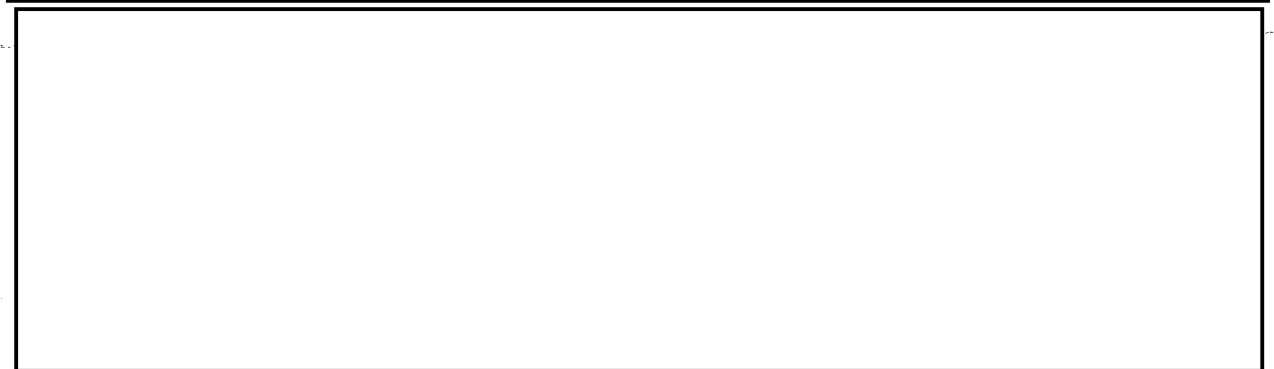
Dr. Jere E. Denne, aka
ET AL

b3
b6
b7C
b7D



Assistant United States Attorney [redacted] b5
Norfolk, Virginia, was initially contacted in this matter, and b6
after being advised of the activities of Denne and her associates b7C
he was of the opinion that [redacted]

[redacted]
[redacted] This matter was subsequently reassigned to
Assistant United States Attorney [redacted] Richmond,
Virginia, and on February 21, 1978, the case was discussed with
[redacted] At that time he advised that [redacted]



b3
b6
b7C
b7D

LEADS

1) Will determine if any of the subjects are known to officials at the Banco Nacional de Fomento (Cooperative) and whether bank officials have personally or telephonically ever been contacted by the subjects representing the Sovereign Order of Saint John of Jerusalem.

2) Will determine whether bank officials have knowledge of the Sovereign Order of Saint John of Jerusalem attempting to arrange a 25 million dollar loan for the bank.

3) Will determine whether bank officials ever plan to deliver an irrevocable letter of acceptance for a 25 million dollar loan to the escrow account established by the Order of Saint John of Jerusalem at the Virginia National Bank, Norfolk, Virginia.

4) Will determine if [REDACTED]

[REDACTED]
[REDACTED] has ever represented or acted as a broker for the bank in a loan transaction.

5) Will obtain copies of any documents or records at the bank regarding transactions between the subjects or the Sovereign Order of Saint John of Jerusalem and the bank.

b6
b7C

AT BONN, WEST GERMANY

LEADS

1) Will interview [redacted] at the Algemene Bank, Amsterdam, Holland, regarding his knowledge of the Sovereign Order of Saint John of Jerusalem, Jere E. Denne, and other subjects.

2) Will determine from [redacted] who issued instructions that the following bank wire should be sent from the Virginia National Bank, Norfolk, Virginia, to the Algemene Bank, Amsterdam, Holland:

Algemene Bank. Telex # 13048 - Transfer Account,
[redacted]
[redacted] Trustee For The Account
For The Sovereign Order of St. John of Jerusalem/
International Funding [redacted] ✓
Order of St. John of Jerusalem/International Funding -
Leiden, Neve Breestraat No. # 81, Holland, The
Netherlands.

3) Determine if the Order of Saint John of Jerusalem has an account at the Algemene Bank, who opened the account, and when, and obtain copies of any available documents.

b6
b7C

AT MEXICO CITY, MEXICO

LEADS

1) Will determine if any of the subjects are known to officials at the Banco Nacional de Fomento (Cooperative) and whether bank officials have personally or telephonically ever been contacted by the subjects representing the Sovereign Order of Saint John of Jerusalem.

2) Will determine whether bank officials have knowledge of the Sovereign Order of Saint John of Jerusalem attempting to arrange a 25 million dollar loan for the bank.

3) Will determine whether bank officials ever plan to deliver an irrevocable letter of acceptance for a 25 million dollar loan to the escrow account established by the Order of Saint John of Jerusalem at the Virginia National Bank, Norfolk, Virginia.

4) Will determine if [REDACTED]

[REDACTED]
[REDACTED] has ever represented or acted as a broker for the bank in a loan transaction.

5) Will obtain copies of any documents or records at the bank regarding transactions between the subjects or the Sovereign Order of Saint John of Jerusalem and the bank.

b6
b7C

AT PANAMA CITY, PANAMA

LEADS

1) Will determine if any of the subjects are known to officials at the Banco Nacional de Panama, Panama City, Panama.

2) Will determine whether bank officials have any knowledge of the Sovereign Order of Saint John of Jerusalem attempting to arrange a multi-million dollar loan for the Banco Nacional de Panama, which was to be funded through an escrow account at the First National Bank of Minneapolis, Minnesota, or the Virginia National Bank, Norfolk, Virginia.

b6
b7C

3) Will determine whether bank officials ever plan to deliver an irrevocable letter of acceptance for such loan to an escrow account established by the Sovereign Order of Saint John of Jerusalem at either the First National Bank of Minneapolis or the Virginia National Bank.

4) Will determine if the Banco Nacional de Panama ever caused a Telex message to be sent to the First National Bank of Minneapolis regarding a loan transaction allegedly being arranged by the Sovereign Order of Saint John of Jerusalem.

5) Will determine if [REDACTED]

[REDACTED] has ever represented or acted as a broker for the bank in a loan transaction.

6) Will obtain copies of any documents or records regarding the Banco Nacional de Panama transactions with the subjects or the Sovereign Order of Saint John of Jerusalem.

MAY 25 1978

CRIMINAL
INVESTIGATION

MAY 23 12 20 PM '78

U.S. DEPT. OF JUSTICE

UNITED STATES GOVERNMENT

Memorandum

TO : Director, FBI () DATE: 4/19/78

FROM : Legal Attache, Bonn (196-21) (P)

SUBJECT: DR. JERE E. DENNE, aka;
ET AL
ITSP; FBW

Reference: Norfolk LHM dated 3/9/78.

Dissemination, as outlined below, was made on dates indicated.

~~XX~~ One copies of reLHM.

☐ Pertinent information from



Date Furnished

4/19/78

b7D

87-146690-
NOT RECORDED

22 APR 26 1978

3 - Bureau
(1 - Foreign Liaison Desk)

20 MAY 24 1978

APR 27 1976

APR 27 8 54 AM '76

U.S. DEPT. OF JUSTICE



b7D

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NY0009 1170240

PP HQ AT MO NO NF PX WFO

DE NY 145

27 APR 78 03 27Z

RECEIVED
FEDERAL BUREAU
OF INVESTIGATION
COMMUNICATIONS SECTION

P 270235Z APR IL, 78

FM NEW YORK (196-164) (P)

TO DIRECTOR PRIORITY

ATLANTA (196-142) PRIORITY

MOBILE (87-11715) PRIORITY

NEW ORLEANS (183-19L) PRIORITY

NORFOLK (87-6085) PRIORITY

PHOENIX (87-16372) PRIORITY

WASHINGTON FIELD PRIORITY

//////////////////ALL OFFICES VIA FBIHQ//////////////////

BT

U N C L A S

DR. JERE E. DENNE, AKA JERET E. DENNE; ERNEST M. MANDEL,

AKA EARNEST MANDELL;

SOVEREIGN ORDER OF

SAINT JOHN OF JERUSALEM, AKA SOVEREIGN ORDER OF ST. JOHN OF
JERUSALEM; ESTONNE, LTD., 215 88TH STREET, SURFSIDE, FLORIDA,
ITSP; FBW (D), OO:NORFOLK, (NORFOLK FILE 87-6085), (WFO FILE
196-59). (NEW YORK FILE 196-164)

DACAMAD

XEROX

EX-121

MAY 9 1978

REC-65

TELETYPED TO:

MAY 17 1978

17 MAY 2 1978

Assoc. Dir. _____
Dep. AD Adm. _____
Dep. AD Inv. _____
Asst. Dir.: _____
Adm. Serv. _____
Crim. Inv. _____
Ident. _____
Intell. _____
Laboratory _____
Legal Coun. _____
Plan. & Insp. _____
Rec. Mgmt. _____
Tech. Servs. _____
Training _____
Public Affs. Off. _____
Telephone Rm. _____
Director's Sec'y _____

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b7C

b6
b7C

UNRECORDED COPY FILED IN 196-263-87-145973-1

PAGE TWO NY 196-164 U N C L A S

INTERNATIONAL LTD. [REDACTED]

FBW (B); BF&E (B), OO:ATLANTA, (ATLANTA FILE 196-142),
(NEW YORK FILE 196-164)

[REDACTED] DBA MULTI METALLICS
MINING COMPANY, COOLIDGE, ARIZONA, ITSP; FBW (A), OO:PHOENIX,
(NEW YORK FILE 87-80964), (MOBILE FILE 87-11715), (NEW ORLEANS
FILE 183-191)

REATTTEL TO NEW YORK, APRIL 26, 1978, CAPTIONED [REDACTED]

[REDACTED] DBA, FBW (B); BF&E (B), OO:ATLANTA.

REFERENCED ATLANTA TELETYPE TO NEW YORK (WITH COPY TO WFO),
APRIL 26, 1978, REFLECTS THAT [REDACTED] FBI NUMBER [REDACTED]
RECEIVED ADVANCE FEES FROM SEVERAL VICTIMS FOR LOANS TO BE
OBTAINED THROUGH A PROPOSED ESCROW ACCOUNT WITH FIRST GEORGIA
BANK, 127 PEACHTREE STREET, ATLANTA, IN LATE 1977. [REDACTED]
INDICATED THE SOURCE OF THE FUNDS WAS LIKELY TO BE JERE E. BENNE,
TRUSTEE FOR THE ORDER OF SAINT JOHN, AND ERNEST M. MANDEL,
PRESIDENT OF ESTONNE, LTD.

A REVIEW OF NORFOLK AIRTEL TO NEW YORK, APRIL 6, 1978,
CAPTIONED "DR. JERE E. DENNE, AKA; ET AL, ITSP (D); FBW (A),
OO:NORFOLK," REFLECTS THAT JERE E. BENNE MAY BE IDENTICAL

b6
b7C

PAGE THREE NY 196-164 U N C L A S

TO JERE E. DENNE, W/F, BORN JULY 23, 1923, AT BOSTON,
MASSACHUSETTS, FIVE FEET TWO INCHES, 135 POUNDS, GRAY EYES AND
GRAY HAIR.

ERNEST M. MANDEL IS DESCRIBED AS A W/M, BORN FEBRUARY 23,
1920, AT CHICAGO, ILLINOIS, FIVE FEET TEN AND ONE-HALF INCHES,
180 POUNDS, SSAN 323-12-0581.

FOR THE INFORMATION OF ATLANTA, JERE E. DENNE, ERNEST M.

MANDEL, [REDACTED]

[REDACTED] DBA HARBOUR MORTGAGE CORP., [REDACTED]

[REDACTED] DBA SPEC INTERNATIONAL, INC.,
[REDACTED]
[REDACTED]

[REDACTED] DBA BANCO NACIONAL
[REDACTED]

DE FOMENTO COOPERATIVO [REDACTED]

[REDACTED] WERE RECENTLY ATTEMPTING TO INDUCE CHEMICAL BANK OF
NEW YORK, 55 WATER STREET, NYC, TO ACT AS ESCROW AGENT FOR
A \$400,000,000 WIRE TRANSFER. THE SOURCE OF THE ALLEGED
FUNDS WAS TO BE THE SOVEREIGN ORDER OF SAINT JOHN OF JERUSALEM,
KNIGHTS HOSPITALLER ACCOUNT AT BANK LEUMI LE-ISRAEL B.M.,
TEL AVIV, ISRAEL, THROUGH CHASE MANHATTAN BANK N.A., NYC.

[REDACTED] IS CURRENTLY UNDER INDICTMENT

b6
b7C

PAGE FOUR NY 196-164 U N C L A S

IN USDC, EDLA, LAFAYETTE, LOUISIANA, FOR FRAUD INVOLVING
MERCHANTS AND SHIPOWNERS BANK, KINGSTON, ST. VINCENT, WEST
INDIES. DURING THE COURSE OF A FUGITIVE INVESTIGATION
REGARDING THE ABOVE CHEMICAL BANK SCHEME WAS
ABORTED.

b6
b7C

THE INSTANT COMMUNICATION IS BEING SUBMITTED FOR THE
INFORMATION OF ATLANTA. AIRTEL ENCLOSING PHOTOCOPY OF NORFOLK'S
LHM CONCERNING JERE E. DENNE TO FOLLOW.

BT

#

AT0381 1251410

RR HQ NY NF

DE AT

R 051410Z MAY 78

FM ATLANTA (196-142) (P)

TO DIRECTOR ROUTINE

NEW YORK (196-164) ROUTINE

NORFOLK (87-6085) ROUTINE

BT

UNCLAS

ATTENTION IDENTIFICATION DIVISION

DR. JERE E. DENNE, AKA; ET AL; ITSP; FBW (D), OO: NORFOLK,
NORFOLK FILE 87-6085, NEW YORK FILE 196-164.

[REDACTED] INTERNATIONAL LIMITED, ATLANTA 43 GEORGIA; FBW (B); BF&E (B);

OO: ATLANTA, NEW YORK FILE 196-164, ATLANTA FILE 196-142.

SUBJECT DENNE AND SUBJECT [REDACTED] ALONG WITH A THIRD PERSON
REPORTED AS [REDACTED] OF

SOJ ARE INDICATED TO POSSIBLY BE GOING TO MEET WITH OFFICIALS
OF A PRIVATE SCHOOL IN ATLANTA, IN THE NEAR FUTURE CONCERNING
POSSIBLE FINANCING OF THE SCHOOL'S OPERATION BY SOJ THROUGH

Cpy rec'd sent on [REDACTED] as mof via fax and
were advised WTL/RR and civil files on Denne

XEROX
MAY 15 1978

5-5-78

UNRECORDED COPY FILED IN
196-263-1

b6
b7C

Assoc. Dir.	
Dep. AD Adm.	
Dep. AD Inv.	
Asst. Dir.:	
Adm. Serv.	
Crim. Inv.	
Ident.	
Intell.	
Laboratory	
Legal Coun.	
Plan. & Insp.	
Rec. Mgnt.	
Tech. Servs.	
Training	
Public Affs. Off.	
Telephone Rm.	
Director's Sec'y	

5 MAY 78 14 20
RECEIVED
FEDERAL BUREAU
OF INVESTIGATION
COMMUNICATIONS SECTION

PAGE TWO AT (196-142) UNCLAS

ABOVE LISTED INDIVIDUALS.

IDENTIFICATION DIVISION IS REQUESTED TO FURNISH ATLANTA
WITH FACSIMILE COPY OF ANY IDENTIFICATION RECORD FOR JERE E.
OC 10/1/78
DENNE DESCRIBED AS WHITE FEMALE, BORN JULY 23, 1923, AT BOSTON,
OC 10/1/78
MASSACHUSETTS AND FOR ERNEST M. MANDEL, DESCRIBED AS A WHITE
OC 10/1/78
MALE BORN FEBRUARY 23, 1920, AT CHICAGO, ILLINIOS, SSAN 323-12-
0581.

NORFOLK AT NORFOLK, VIRGINIA: NORFOLK IS REQUESTED TO
EXPEDITIOUSLY FURNISH INFORMATION CONCERNING DENNE'S TESTIMONY
IN NORFOLK DIVISION PREVIOUSLY REQUESTED.

BT

airtel

5/23/78

pl
To: SAC, Norfolk (87-6085) (P)

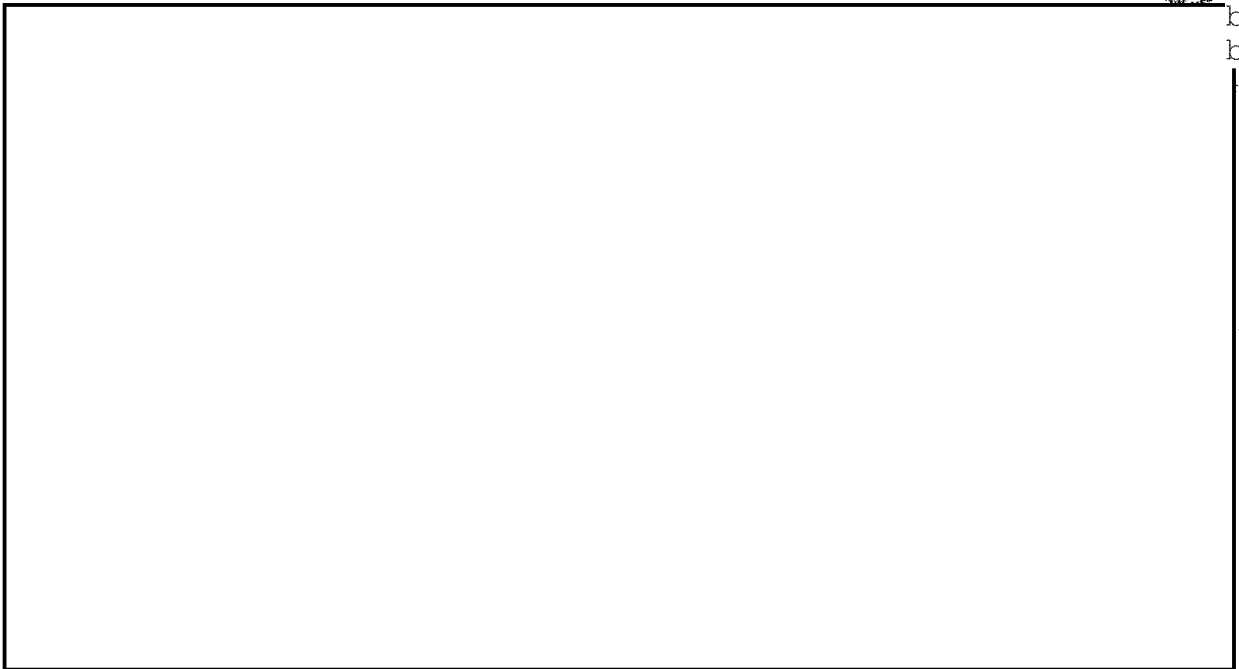
From: Director, FBI

Dr. JERE E. DENNE, aka
et al.

ITSP; FBW (D)
(OO: NORFOLK)

VA

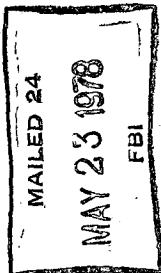
Re Norfolk airtel to the Bureau dated 3/24/78.



b3
b7D

SCK:jma
(6) *jma*

Assoc. Dir. _____
Dep. AD Adm. _____
Dep. AD Inv. _____
Asst. Dir.:
Adm. Servs. _____
Crim. Inv. _____
Ident. _____
Intell. _____
Laboratory _____
Legal Coun. _____
Plan. & Insp. _____
Rec. Mgnt. _____
Tech. Servs. _____
Training _____
Public Affs. Off. _____
Telephone Rm. _____
Director's Sec'y _____



1978
MAIL ROOM ☒

REC-79

EX-101

87-146690-

17 MAY 24 1978

memorandum

DATE: 6/26/78

REPLY TO
ATTN OF:

LEGAT, MEXICO CITY (196-7)(P)

SUBJECT:

Dr. JERE E. DENNE, aka;
ERNEST M. MANDEL, aka:

TO:

[REDACTED]

Sovereign Order of
Saint John of Jerusalem, aka;
Estonne, Ltd.
215 88th Street
Surfside, Florida
ITSP; FBW

DIRECTOR, FBI

Re Norfolk LHM, dated 3/9/78.

On 4/10/78, captioned matter was discussed
by Legat, Mexico City representative with [REDACTED]

[REDACTED] has been contacted periodically since
that date in an attempt to obtain requested
information. [REDACTED] has advised that

For the information of Norfolk [REDACTED]

On 6/20/78, [REDACTED] advised
that he had been unable to obtain the requested
information. He stated that he believes there is
still a possibility of [REDACTED]

[REDACTED] Bureau and Norfolk
will be advised of developments.

- EX-115 REC-65 87-14 [REDACTED] JUL 1978
- (5) - Bureau
 (1 - Foreign Liaison Desk)
 (2 - Norfolk)
1 - Mexico City
JHG/esj
(6)
- 2-NF
RDS/gh
7/7/78



JUL 26 1978

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

JUL 10 1978

RECEIVED
CRIMINAL
INVESTIGATION

JUL 6 9 17 AM '78

F.B.I.
U.S. DEPT. OF JUSTICE

FBI

Date: 7/10/78

Transmit the following in _____
(Type in plaintext or code)

AIRTEL

Via _____
(Precedence)

TO: DIRECTOR, FBI (87-146690)
FROM: SAC, SAN DIEGO (87-8697) (P)

Dr. JERE E. DENNE, aka
Jeret E. Denne;
ERNEST M. MANDEL, aka
Earnest Mandell.

[REDACTED]
Sovereign Order of Saint John
of Jerusalem, aka
Sovereign Order of St. John
of Jerusalem;
Estonne, Ltd.,
215 88th Street
Surfside, Florida
ITSP; FRAUD BY WIRE (D)
OO:NORFOLK

Re Norfolk airtel to Bureau dated 3/21/78; San Diego
letter to Norfolk dated 5/15/78 captioned as above; Bureau
airtel to San Diego captioned, "STANLEY M. SABIHON & ASSOCIATES,
INC., SAN DIEGO, CALIFORNIA, RICO, OO:SD", dated 6/27/78.

Enclosed for San Antonio is a copy of re Bureau airtel
and San Diego insert. For information of San Antonio, San Diego
is attempting to interview [REDACTED] regarding his
relationship with the Sovereign Order of St. John of Jerusalem
(SOSJ). [REDACTED] is also suspected of participation in various
precious metals transactions of a fraudulent nature.

- ②-Bureau
2-San Antonio (Enc.2)
2-Norfolk (Enc.3)
2-San Diego

CHC:kek
(8)

REC-13

EX-111

JUL 18 1978

Approved: 54 AUG 7 1978
Special Agent in Charge

Sent _____ M Per _____

JUL 14 1978

RECEIVED
CRIMINAL
INVESTIGATION
SECTION

JUL 13 1 03 PM '78

F.B.I.
U.S. DEPT. OF JUSTICE

SD 87-8697

Enclosed for Norfolk is an original and one copy of an insert reflecting investigation conducted at San Diego, Ca. Also enclosed is re airtel.

LEADS

SAN ANTONIO

AT SAN ANTONIO, TEXAS. Will advise San Diego and Norfolk of any involvement by the Sovereign Order of St. John of Jerusalem (SOSJ) in the San Antonio case concerning [REDACTED] noting that [REDACTED] may also be connected with the [REDACTED] operation.

b6
b7C

SAN DIEGO

AT SAN DIEGO, CA. Will continue attempts to locate and interview [REDACTED] Pacific Management Associates, Inc. [REDACTED]

memorandum

DATE: 10/12/78

REPLY TO
ATTN OF LEGAT, BONN (196-21) (RUC)SUBJECT: DR. JERE E. DENNE, aka
ET AL215 88TH STREET
X26X SURFSIDE, FLORIDA
ITSP; FBW

To: DIRECTOR, FBI

ReBu 0-7 dated 3/27/78; re Norfolk LHM, 3/9/78.

Enclosed for FBIHQ and Norfolk each is one copy
of report of [REDACTED]
[REDACTED] concerning this matter.Legat, Bonn, is conducting no further inquiries
concerning this matter.

- 54 Bureau (Enc.)
1 - Liaison Section
2 - Norfolk (Enc!)

1 - Bonn

DRD:dgo
(6)

2 cc Let / 1 enc - NF via (0-7)
1 cc Let - Foreign Liaison
10/20/78
FAG/RCN

REC-47 87-146690-12

23
23 OCT-19-1978

EX-124

Ridgely
SIX

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan



UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI

DATE: 10/18/78

FROM : LEGAT, MEXICO CITY (196-7) (RUC)

SUBJECT: Dr. JERE E. DENNE, aka;
ERNEST M. MANDEL, aka;



Sovereign Order of
Saint John of Jerusalem, aka;
Estonne, Ltd.,
215 88th Street
Surfside, Florida
ITSP; FBW

Re Mexico City letter to the Director,
dated 6/26/78.

On 10/17/78, [redacted]

[redacted] advised that [redacted]



In view of the above, case is RUC.

- ⑤ - Bureau
(1 - Foreign Liaison Desk)
(2 - Norfolk)
1 - Mexico City
JHG/esj
(6)

ice let - Foreign Liaison
200 let - NF(0-7)
10/25/78
FAG/ROW

EX-130

REC-20

87-146090-13

16 OCT 24 1978

Riley
SIX



57 NOV 13 1978

EXP. PROC.
b6
b7C
b7D
32

RECEIVED
INVESTIGATIVE
DIVISION

OCT 26 4 52 PM '78

U.S. DEPT. OF JUSTICE

UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI

DATE: 3/20/80

FROM : *P/L* LEGAT, BONN

SUBJECT: *21*
①
DR. JERE E. DENNE, aka
ET AL
215 88TH STREET
SURFSIDE, FLORIDA
ITSP; FBW
BONN FILE 196-21 (RUC)

FUGITIVE INDEX *3d*

11/2
[REDACTED] aka -
FUGITIVE;
ET AL;
FIRST NATIONAL BANK,
SLIDELL, LA. -
VICTIM
BF&E (A); FBW; CRIMINAL CONTEMPT
BONN FILE 196-36 (RUC)

Investigation mentioned in enclosed is identical with that under the DENNE caption, results of which were forwarded Norfolk by Bonn letter 10/12/78. It is not known to Bonn if [REDACTED] mentioned in enclosed is identical with [REDACTED] mentioned in captioned cases.

Enclosures being furnished recipients for information.

- ⑦ - Bureau (Enc. *ENCLOSURE*)
1 - Liaison Unit
2 - New Orleans (29-2809) (Enc. 2)
2 - Norfolk (Enc. 2)
2 - Bonn (1 - 196-21) (1 - 196-36)
DRD/glk
(8) ICC LET; 2 ENC SENT NO 4-14-80
2 CC LET; 2 ENC SENT RE 4-14-80
ZIX

68 APR 18 1980

87-146690-14
MAR 26 1980

① *W SUP.*

② *ST*



b6
b7C

b7D

b6
b7C

29-85757-1
COPY OF ENC FILED IN
ENC COPY

FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☒ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date 12/9/85

FM SAC, SAN FRANCISCO (196B-NEW) (P) (SQ. 5)

TO SAC, NORFOLK (87-6085) (ROUTINE)

BT

U N C L A S

JERET E. DENNE, AKA DR. JERE E. DENNE, DBA ESTONNE, LTD., BLUEJAY,
CALIFORNIA; ITSP; OO: SAN FRANCISCO.

ON DECEMBER 6, 1985, [REDACTED] WHO HAS FURNISHED RELIABLE
INFORMATION IN THE PAST, FURNISHED THE FOLLOWING INFORMATION:

SOURCE ADVISED [REDACTED]

b6
b7C
b7D

JWZ/kls
(1) kls

b6
b7C

Approved: RWH/uno

Transmitted

343/0047
(Number) (Time)

Per

NOT RECORDED

17 FEB 28 1986

FD-36 (Rev. 8-26-82)

FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE THREE

SF 196B-NEW

U N C L A S

b6
b7C
b7D

[REDACTED]

SAN FRANCISCO DIVISION, IN RECEIVING INFORMATION FROM [REDACTED] CONDUCTED AN INDICES CHECK AND DETERMINED ESTONNE, LTD., AND DR. JERE E. DENNE WERE FORMERLY THE SUBJECTS OF SAN FRANCISCO FILE 196A-145 (CLOSED) CONCERNING WHICH THE INVESTIGATION WAS CAPTIONED, "DR. JERE E. DENNE, AKA; ET AL; ITSP; FBW; OO: NORFOLK _ 87-6085". AT THAT TIME NORFOLK WAS INVESTIGATING DENNE FOR EXTENSIVE FRAUD BY WIRE AND ADVANCE FEE SCHEMES INVOLVING SUBSTANTIAL DEPOSITS AND ALLEGED ABILITY TO MAKE LOANS, ALL OF WHICH WAS BEING INVESTIGATED THROUGH UCA AND FEDERAL GRAND JURY ACTIVITIES BY NORFOLK. IN VIEW OF THE TYPE OF INVESTIGATION AND THAT IT APPEARED A PENDING INDICTMENT WAS ABOUT TO BE BROUGHT (IN 1978) AGAINST DENNE, IT IS REQUESTED THAT NORFOLK DIVISION REVIEW ITS INVESTIGATION TO DETERMINE THE OUTCOME OF THAT INVESTIGATION AND WHETHER OR NOT DENNE, HERSELF, WAS EVER INDICTED, CONVICTED AND MIGHT STILL BE CURRENTLY ON PROBATION/PAROLE STATUS. LEADS: NORFOLK; AT NORFOLK, VIRGINIA: WILL REVIEW NORFOLK FILE 87-6085 AND CONTACT THE UNITED STATES ATTORNEY'S OFFICE TO DETERMINE THE STATUS OF DENNE AND ESTONNE, LTD.

Approved: _____ Transmitted _____ (Number) _____ (Time) Per _____

FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE FOUR

SF 196B-NEW

U N C L A S

SAN FRANCISCO; AT SAN FRANCISCO, CALIFORNIA: WILL MONITOR THE

BT

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b7C
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Approved: _____ Transmitted _____ Per _____
(Number) (Time)

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1414285-001

Total Deleted Page(s) = 4
Page 8 ~ b6; b7C;
Page 10 ~ b3; b6; b7C; b7D; b7E;
Page 12 ~ b6; b7C;
Page 20 ~ b6; b7C;

XXXXXXXXXXXXXXXXXXXXXXXXXXXXX
X Deleted Page(s) X
X No Duplication Fee X
X For this Page X
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FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ Airtel

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ E F T O
☐ CLEAR

Date 5/30/78

TO: DIRECTOR, FBI
 FROM: SAC, SAN ANTONIO (196-New) (P)
 SUBJECT: [REDACTED]

DBA Multi-Metallies Mining Company
 Colliage, Arizona;

DBA Colonial Assurance Company,
 City Unknown;

DBA Financial Energy Company,
 Denver, Colorado;

ERNEST MANDEL;
 DBA Estonne Limited,
 Los Angeles, California;

UNSUB, DBA Title Insurance Company of
 Minnesota, Phoenix, Arizona;

UNSUB, DBA Sovereign Order of
 St. John of Jerusalem, Cayman Islands;
 FBW - TSP - MF

On 5/23/78 [REDACTED] Frost National Bank, San Antonio, Texas, telephonically advised that they have a customer, Mission Broadcasting, who is considering a 16 million dollar loan arranged through the activities of above named subjects. As he

2-Bureau
 2-Albuquerque
 2-Atlanta
 2-Chicago
 2-Dallas
 2-Denver
 2-El Paso
 2-Houston
 2-Los Angeles
 2-Minneapolis
 2-Newark

DE-44 REC-79
 13
 ST-119

196-315.

JUN 7 1978

2-New York
 2-Phoenix
 2-San Antonio
 MGA: [REDACTED]
 (28)

Approved: [REDACTED]

Transmitted [REDACTED]

(Number)

(Time)

Per [REDACTED]

RECEIVED
CRIMINAL
INVESTIGATIVE
DIVISION

JUN 09 1978

JUN 7 11 37 AM '78

F.B.I.
U.S. DEPT. OF JUSTICE

DE-44

SA 196-New

understands, Multi-Metalics is to provide 16 million in certificate of deposits (CD's) owned by the Sovereign Order of St. John of Jerusalem (SOSJJ) and on deposit in a bank in the Cayman Islands. The customer only wants 6 million, however, is to apply for a 16 million dollar loan and 10 million will go to Multi-Metalics. The loan is to be secured by the CD's. The Colonial Assurance Company is to guarantee all the interest payments and this is also guaranteed through Title Insurance Company of Minnesota, Phoenix, Arizona. The guarantee is to be secured by 100% of the assets of their customer, valued at about 10 million. In the event of default of any interest payment, Colonial can seize all the customer's assets.

[redacted] was advised their customer should fully identify and verify the background on every individual involved before proceeding further. He advised they will follow the matter with their customer, however, will not lend any money under such arrangements. They will assure that any documentation is preserved for any possible investigation.

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On 5/24/78, [redacted] National Bank of Commerce, San Antonio, Texas, advised they have a customer arranging a 20 million dollar loan through captioned subjects. He advised his customer is [redacted] of the San Antonio International Trade Center. They do not like the arrangement, however, [redacted] is presently in Montreal, Canada signing papers. Since fraud may be involved they will not loan any money on such an arrangement. They described the financing as previously set forth except that the loan was for 20 million and their customer was to receive 8 million. [redacted] would receive the other 12 million.

San Antonio indices reflected references to two destroyed files in the name of [redacted] Phoenix OO, file 87-13163. A reference was noted to a "Financial Corporation, 8000 West 14th Street, Lakewood, Colorado", San Antonio 87-10026. (File destroyed, OO unknown)

SA 196-New

Investigation is to be instituted concerning both loans to develop the activity of each person and company in arranging the loan. The scheme is to be allowed to progress to determine whether false CD's can be obtained. Telephone call to Phoenix indicates [] currently being investigated in most offices receiving this communication.

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All offices are requested to review their indices and provide San Antonio with any background information concerning any of above subjects:

LEAD

SAN ANTONIO

AT SAN ANTONIO, TEXAS. Will interview fully [] [] Frost National Bank, for all details and documentation regarding instant loan. Arrange for interview of loan customer regarding the financing arrangements.

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Will interview fully [] National Bank of Commerce and conduct similar investigation as directed above.

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ Airtel

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ E F T O
☐ CLEAR

Date 6/7/78

TO: DIRECTOR, FBI 196-315
 FROM: SAC, SAN ANTONIO (196-⁵³~~Now~~) (P)
 SUBJECT: [REDACTED]

DBA Multi-Metallics Mining Company
 Collidge, Arizona;

DBA Colonial Assurance Company,
 City Unknown;

DBA Financial Energy Company,
 Denver, Colorado;

ERNEST MANDEL,
 DBA Estonne Limited,
 Los Angeles, California;

UNSUB, DBA Title Insurance Company of
 Minnesota, Phoenix, Arizona;

UNSUB, DBA Sovereign Order of
 St. John of Jerusalem, Cayman Islands;

FBW - ITSP - MF

Netherlands Ant. Ills

00:SA

EX-136

196-315-1
 Re San Antonio airtel to Bureau 5/30/78.

- ② - Bureau
 2 - Atlanta
 2 - Chicago
 2 - Dallas
 2 - Denver
 2 - El Paso
 2 - Houston
 2 - Los Angeles
 2 - Miami (Enc. 1)
 2 - Minneapolis
 2 - Newark
 2 - New York

V-1 REC-13

DE-56

Airtel to SA
 6/26/78
 FJC:law

2 - Phoenix
 2 - San Antonio
 MGA/cgw
 (28)

July 11
 24 JUN 13 1978

Search Report 6/13/78

Approved:

57 AUG 16 1978

Transmitted

(Number)

(Time)

Per

602 7-5 DJB

RECEIVED
CRIMINAL
INVESTIGATION

JUN 13 12 00 PM '78

F.B.I.
U.S. DEPT. OF JUSTICE

SA 196-New

Enclosed for Miami is one copy of referenced airtel for background information.

On 5/31/78, [redacted], National Bank of Commerce, San Antonio, Texas, advised [redacted] has returned from Montreal, Canada, and indicates he is continuing to secure his financing for 20 million, however, a new group is now involved and he expects his money within days. He furnished the names of this new group as follows:

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✓ [redacted]
✓ [redacted]
Bancorp Trade and Credit
41 Maplewood Avenue,
Montreal, Canada

✓ South Sound Development Co., (Texas Corp.)
[redacted]

✓ Amsterdam Reinsurance Co.
Grand Cayman Islands

Netherlands Antilles

[redacted] advised the group is led by a [redacted] [redacted] Negro male, location unknown. It was indicated the loan would be a straight loan and not through any bank. He does not know if [redacted] has paid any advance fees, however, they have indicated to [redacted] that they would not grant any loan based on the prior arrangement. He is saving copies of all documents accumulated to date.

Each office is requested to check indices on all names and organizations to determine whether any prior investigation concerning fraud has been conducted and advise San Antonio.

JUN 14 1 23 PM '78

JUN 14 1 23 PM '78

JUN 14 / 24 PM '78

FEDERAL BUREAU OF INVESTIGATION
Records Branch

6/18, 1978

- ☐ Name Searching Unit, 4543 JEH-FBI Bldg.
☒ Service Unit, 4654 JEH-FBI Bldg.
☐ Forward to File Review
☐ Attention
☒ Return to

b6

b7C

Supervisor

3152 4231
Room Ext.**Type of Search Requested:**

- ☐ Restricted Search **Not** Applied
☐ All Reference (Subversive & Nonsubversive)
☐ Subversive Search
☐ Nonsubversive Search
☐ Main _____ References Only

Special Instructions:

- ☐ Restricted to Locality of _____
☒ Exact Name Only (On the Nose)
☐ Buildup ☐ Variations

*South Sound Development*Subject *Co.*

Birthdate & Place _____

Address *Houston, Texas*

Localities _____

R# _____ Date *6-14* Searcher Initials *Bdr*

Prod. _____

FILE NUMBER

SERIAL

m

JUN 14 1 23 PM '78

6/13, 1978

- ☐ Name Searching Unit, 4543 JEH-FBI Bldg.
☒ Service Unit, 4654 JEH-FBI Bldg.
☐ Forward to File Review
☐ Attention
☒ Return to 5152 42

b7C

Supervisor

Room

Ext.

☐ Restricted Search **Not** Applied
☐ All Reference (Subversive & Nonsubversive)
☐ Subversive Search
☐ Nonsubversive Search
☐ Main _____ References Only

☐ Restricted to Locality of _____
☒ Exact Name Only (On the Nose)
☐ Buildup ☐ Variations

AMSTERDAM REINSURANCE

Subject Co.

Birthdate & Place _____

Address Grand Cayman Islands

Localities _____

R# _____ Date 6-14 Searcher _____
Initials Bdb

Prod. _____

FILE NUMBER

SERIAL

[Signature]

JUN 14 1 24 PM '78

6/13, 1978

- b7C

Ext.

☐ Restricted Search **Not** Applied
☐ All Reference (Subversive & Nonsubversive)
☐ Subversive Search
☐ Nonsubversive Search
☐ Main _____ References Only

☐ Restricted to Locality of _____
☒ Exact Name Only (On the Nose)
☐ Buildup ☐ Variations

Buildup ☐ Variations
BANCORP TRADE & CREDIT

Subject _____

Birthdate & Place _____

Address MONTREAL, CANADA

Localities _____

R# _____ Date 6-14 Searcher _____
Initials Bd

Prod. _____

FILE NUMBER

SERIAL

[Signature]

JUN 14 1 23 PM '78

JUN 14 1 24 PM '78

Airtel

6/26/78

To: SAC, San Antonio (196-53)

From: Director, FBI (196-315)

1 - [redacted]
1 - [redacted]
1 - FOF

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b7C

[redacted] aka
ET AL
FBW - ITSP - MF
OO: SAN ANTONIO

Re San Antonio airtel to the Bureau dated 6/7/78.

Information copies of reairtel are being furnished to Los Angeles and New Orleans.

Based on the information provided in reairtel, no information identifiable with the following firms and individuals was located in FBIHQ indices: Bancorp Trade and Credit, Amsterdam Reinsurance Co.; South Sound Development Co.; and [redacted]

Bureau files reveal [redacted] may be identical to the subjects of a pending New Orleans investigation entitled, [redacted]

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[redacted] BF&E, ITSP, Fraud by Wire,"
OO: New Orleans, New Orleans file 29-2431, Bureau file 29-81736. New Orleans advised by report dated 6/22/77, that [redacted] had attempted to transfer millions of dollars into the Jefferson Bank and Trust (JBT), Metairie, Louisiana, and immediately disbursed these funds using JBT letters of credit. Numerous checks made by bank officials on [redacted] business and banking references indicated [redacted] was practicing deception. Complaints received by [redacted]

1 - Los Angeles (For Information)
1 - New Orleans (For Information)

REC-13

BUC:caw (8)

2 JUL 11 1978

MAILED 3
JUN 26 1978
FBI

Assoc. Dir. _____
Dep. AD Adm. _____
Dep. AD Inv. _____
Asst. Dir.:
Adm. Servs. _____
Crim. Inv. _____
Ident. _____
Intell. _____
Laboratory _____
Legal Coun. _____
Plan. & Insp. _____
Rec. Mgnt. _____
Tech. Servs. _____
Training _____
Public Affs. Off. _____
Telephone Rm. _____
Director's Sec'y _____

245
1978

MAIL ROOM ☒

FBI/

REC'D

JUN 28 12 27 PM '78

U.S. DEPT. OF JUSTICE

JUL 12 1978

JUN 26 5 11 PM '78

REC'D

RECEIVED

10

Airtel to SAC, San Antonio

RE: [redacted]

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the FBI alleged that [redacted] had swindled numerous individuals. The Royal Sonesta Hotel, New Orleans, also made a complaint to the FBI that [redacted] had failed to pay a hotel bill of \$9,437.71. [redacted] listed as [redacted] attorney traveled with [redacted]

New Orleans also advised that Los Angeles had conducted in 1974 an investigation on [redacted] in a case entitled, [redacted] et al; ITAR - Extortion," OO: Los Angeles, Los Angeles file 166-2474. The Bureau is not in receipt of any communications from Los Angeles and, therefore, it is suggested that San Antonio contact Los Angeles for any pertinent information.

In that the Bureau is not in receipt of any further communications from New Orleans concerning this matter, New Orleans is requested to advise the current status of this investigation.

Bureau files reveal [redacted] is possibly involved in a closed Miami case entitled, [redacted] et al, FRA (SLA)," OO: Miami, Miami file 29-1715, Bureau file 29-45514. On 5/19/67, the Federal Home Loan Bank Board advised a possible criminal violation on the part of former directors of the Roosevelt Savings and Loan Association (RSLA), Miami, Florida, in that the directors may have profited illegally from transactions involving the lease holding of property it acquired from the Roosevelt Land Corporation (RLC). It is further alleged that the Lincoln National Bank also had a directorate that interlocked with RSLA and RLC, and that RSLA appears to have been operated for the benefit of the Lincoln National Bank and to the detriment of RSLA. In August of 1974, [redacted]

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[redacted] Florida, was listed as [redacted]

Bureau files reveal [redacted] are possibly identical to two subjects of a pending Norfolk investigation entitled, "Dr. Jere E. Denne, aka Jaret E. Denne; Ernest M. Mandel, aka Earnest Mandell, [redacted]

Airtel to SAC, San Antonio

RE:

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Sovereign Order of Saint John of Jerusalem, aka Sovereign Order of St. John of Jerusalem; Estonne, Ltd., 215 88th Street, Surfside, Florida, Interstate Transportation of Stolen Property; Fraud by Wire," OO: Norfolk, Norfolk file 87-6085, Bureau file 87-146690. Norfolk advised by airtel dated 3/21/78, of a scheme wherein the subjects either obtained advance fees or used loan commitments from legitimate banks as collateral for additional loans. San Antonio should note that subjects in this matter have possibly arranged loans in the name of and/or for the Sovereign Order of Saint John of Jerusalem. Norfolk by airtel dated 3/21/78, set out leads requesting any available documents or records on the Sovereign Order of Saint John of Jerusalem.

Bureau files also reveal that may be identical to a subject of a closed Cleveland investigation entitled, "Russell Foods Inc., et al, NBA," OO: Cleveland, Cleveland file 166-508, Bureau file 166-4824. Management of captioned company allegedly syphoned funds away from business in an apparent bust out scheme. Cleveland by closing report dated 12/29/70, advised that on 12/15/70, AUSA, Cleveland, indicated successful prosecution could not be sustained in that funds diverted from the company's income were never accounted for by the company.

196-315

CON MAN INDEX
(SAN ANTONIO FILE 196-53)

(1) Name: Ernest M. Mandel

(2) Alias: Ernie Mandel.

(3) Residence: 215 88th Street, Surfside, Florida, and
2160 Century Park East, Los Angeles, California.

(4) Telephone: 305-868-6300 and 213-552-0610.

(5) Descriptive Data:

Race

White

Sex

Male

Occupation

President, Estonne, Ltd.

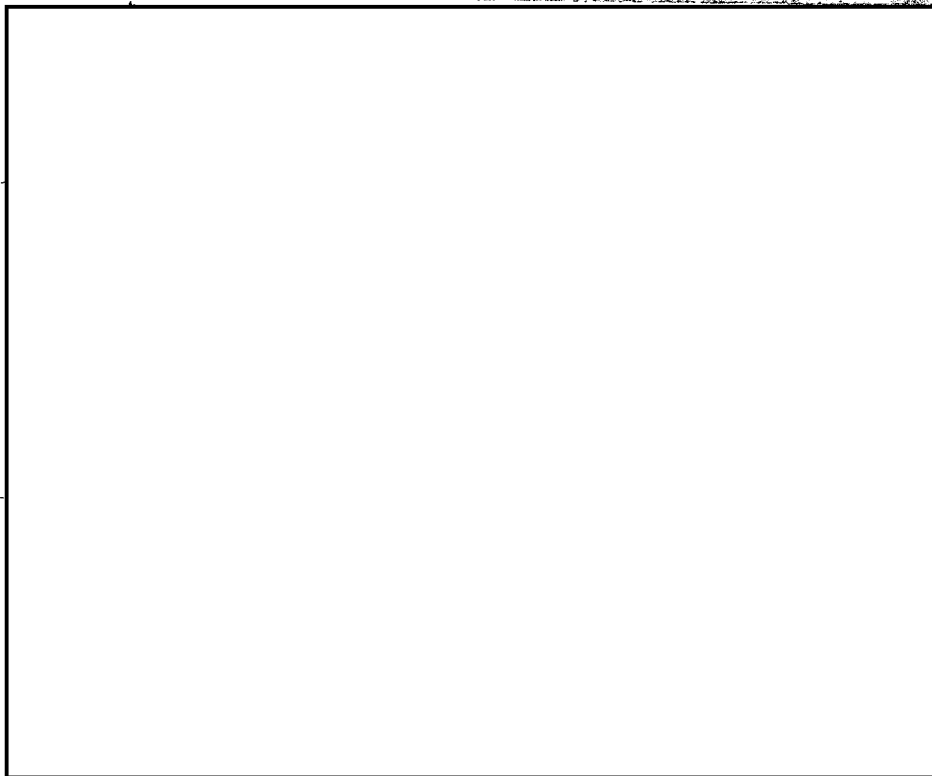
(6) Associated Company:

Sovereign Order of Saint John of Jerusalem, Estonne, Ltd.
215 88th Street, Surfside, Florida, and
2160 Century Park East, Los Angeles, California.

(7) Associates:

Dr. Jere E. Denne, Trustee

Sovereign Order of Saint John of Jerusalem, Estonne, Ltd.



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SA 196-53

(8) Other Field Offices' Files Numbers:

Bureau 196-315
Atlanta 196-184 and 196-229
Boston 196-100
Chicago 196-169
Dallas 196-220
Denver 196-94 and 196-98
El Paso 87-8065
Houston 196-60
Jacksonville 196-53
Los Angeles 196-504
Miami 87-38919 and 87-36616
Minneapolis 87-22126 and 196-86
Newark 196-102 and 196-89
New Haven 87-11382
New Orleans 183-191 and 196-21
New York 87-80964, 87-79343, 196-164, and 196-363
Norfolk 87-6085
Philadelphia 196-315
Phoenix 87-16372
San Diego 196-131 and 87-8697
Washington Field 196-86 and 196-59

(9) Armed and Dangerous: No.

(10) Fraud Specialty: Advance Fee.

(11) Miscellaneous information:

Between January through July, 1978, Denne and Mandel received advance fees from two San Antonio businessmen who were seeking loans for five million to eight million dollars respectively. Aforementioned associates entered the picture either to vouch for their credibility, assist in attempting to obtain funding, or offer to insure the loan. A total of \$19,000 in fees were paid, in addition to thousands of dollars in hotel and telephone bills accumulated by subjects. Neither loan was funded, and no loans on which the subjects worked were known to have been funded.

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ Airtel

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 11/19/81

TO: DIRECTOR, FBI

FROM: SAC, SAN ANTONIO (196A-53) (P)

SUBJ: ~~CHANGED~~
~~DR. JERE E. DENNE, aka~~
~~Jaret E. Denne,~~
~~dba Sovereign Order of St. John's~~
~~of Jerusalem,~~
~~dba Estonne Limited,~~
~~215 88th Street,~~
~~Surfside, Florida;~~
~~ERNEST M. MANDEL,~~
~~dba Estonne Limited,~~
~~2160 Century Park East,~~
~~Los Angeles, California;~~
~~[redacted]~~
~~dba San Antonio International~~
~~Trade Center - VICTIM;~~
~~[redacted]~~
~~dba Mission Broadcasting Company -~~
~~VICTIM~~
~~FBW (A); ITSP~~

OO: SAN ANTONIO

Title marked changed to reflect names of
 subjects responsible for defrauding victims of advance fees.

Title previously carried as [redacted] aka, dba
 Multi-Metallics Mining Company, Coolidge, Arizona; ET AL, FBW;
 ITSP; MF (A).

- 3 - Bureau
 2 - Denver (Enc. 9)
 2 - Houston (Enc. 7)
 2 - Los Angeles (Enc. 10)
 3 - Miami (Enc. 9)
 2 - San Diego (Enc. 6)
 2 - San Antonio

NCB:am
 (16)

V-28

NOV 30 1981

Approved: *[Signature]*

Transmitted _____

(Number)

(Time)

Per _____

JAN 27 1982

Enclosed for each office are two copies each of the following FD-302's:

1. Interview of [redacted] dated 5/10/79
2. Interview of [redacted] dated 7/11/79
3. Interview of [redacted] dated 6/28/79

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Also enclosed for Denver is one copy each of the following-described documents:

1. Mailgram dated 3/7/78 to [redacted]
2. ~~Western Union Telex dated 3/3/78 to~~
[redacted]
3. Letter dated 7/21/78 from the Financial Energy Corporation to [redacted]

Enclosed for Houston is one copy of a Western Union Telex to [redacted] dated 6/7/78.

Enclosed for Los Angeles is one copy each of the following documents:

1. Western Union TWX to [redacted] dated 6/8/78
2. ~~Letter from Estonne Limited by Ernest M. Mandel to~~ [redacted]
3. ~~Letter from Ernest Mandel of Estonne Limited to~~ [redacted]
4. Copy of receipt dated 2/12/78 reflecting \$10,000 fee from [redacted] by Mandel
5. Copy of commitment on stationery of Sovereign Order of St. John's of Jerusalem dated 2/11/78 to [redacted] and signed by Jere Denne

Enclosed for Miami for interview of [redacted] at North Miami are the following-described documents:

1. Western Union Telex dated 6/8/78 to San Antonio International Trade Center from [redacted]

2. Letter to [redacted] dated 4/26/78 , and FD-302 interview of [redacted] on 7/2/79.

Enclosed for Miami for the interview of Jere Denne at Surfside, Florida, are the following-described documents:

1. Copy of commitment on stationery of Sovereign Order of St. John's of Jerusalem dated 2/11/78 to [redacted] and signed by Jere Denne

For information of the Bureau and receiving offices, and by way of summary, investigation in this matter was instituted in May, 1978, on information from the Frost Bank that their bank customer, [redacted] Mission Broadcasting Company, was attempting to obtain a \$6 million loan which was being arranged through subjects Denne and Mandel, dba Estonne Limited, with alleged funding to be supplied through the Sovereign Order of St. John's of Jerusalem (SOSJ). Concurrent with the information received from the Frost National Bank, a customer of the National Bank of Commerce, also of San Antonio, by the name of [redacted] dba San Antonio International Trade Center, was also attempting to obtain a \$20 million loan through these same individuals. Details of the loan negotiations by [redacted] and [redacted] are set forth in enclosed FD-302's. It will be noted that [redacted] paid advance fees of \$15,000 to Denne and Mandel and \$2,500 to [redacted] of the Financial Energy Corporation, Denver, Colorado. [redacted] also paid advance fees of \$4,000 to Denne and Mandel and \$2,500 to the Financial Energy Corporation.

It will be noted from the review of the enclosed FD-302's that both [redacted] dealt with other individuals including [redacted] dba Multi-Metallics Mining Company, [redacted] dba Colonial Assurance Company, and [redacted]. It has been determined that although these individuals entered into the loan negotiations, there is no current evidence which would substantiate that these individuals received any funds from the San Antonio victims and for this reason, they are not being included as subjects in captioned matter.

Discussions with the U. S. Attorney's Office, San Antonio, Texas, has established that due to the interstate wire transfer of funds and the extensive travel as indicated by both victims [redacted] there appeared to be potential violations of the ITSP - FBW Statutes. In order to further substantiate the fraudulent nature of the requested loans,

AUSA [] requested that the following investigation be conducted to determine if the subjects and their companies were, in fact, shell corporations with no intent nor facilities to deliver what they represented to the victims.

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Subject Denne is described as follows:

Name	Jere E. Denne
Alias	Jaret E. Denne
<u>Race</u>	<u>White</u>
<u>Sex</u>	<u>Female</u>
Date of Birth	July 23, 1923
Place of Birth	<u>Boston, Massachusetts</u>
Height	5'2"
Weight	135
Eyes	Gray
Hair	Gray

Subject Mandel is described as follows:

Name	Ernest M. Mandel
<u>Race</u>	<u>White</u>
<u>Sex</u>	<u>Male</u>
Date of Birth	February 23, 1920
Place of Birth	<u>Chicago, Illinois</u>
Height	5'10½"
Weight	180
<u>SSAN</u>	<u>323-12-0581</u>

REQUEST OF THE BUREAU

The Bureau is requested to search the Con Man Index for the following:

Jere E. Denne, aka Jaret E. Denne

[]

Ernest M. Mandel

[]

LEADS

All offices are requested to obtain available criminal background for the following-described individuals:

Jere E. Denne, aka Jaret E. Denne

[]

Ernest M. Mandel

[]

SA 196A-53

In addition to the above, the following specific leads are being set:

DENVER

AT DENVER, COLORADO

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1. Will, at the Division of Insurance at the Department of Regulatory Agencies, obtain details of their investigation concerning [redacted] the Financial Energy Corporation (FEC), and the Financial Surety and Guaranty Company (FSGC).
 2. Will, at the Secretary of State, obtain the Articles of Incorporation for the FEC and the FSGC.
 3. Will locate and interview both [redacted] and [redacted] and determine the following information:
 - A. Background of both, including the details of their association with FEC and FSGC, Ernest Mandel, Jere Denne, Estonne, Limited, and the Sovereign Order of St. John's of Jerusalem (SOSJ);
 - B. Details of contacts made to secure financial commitments for victims [redacted] through FEC and FSGC. Obtain identity of alleged insurer.
- It is noted that both [redacted] received telegrams in March, 1978, from [redacted] at FEC representing that FEC had secured a commitment.
- (See enclosures #1 and 2 which represent Western Union telegrams dated 3/6/78 for [redacted] and 3/3/78 for [redacted])
- (See pages 3 to 6 of FD-302 of [redacted] dated 5/10/79.)
- (See pages 5 to 7 of FD-302 of [redacted] dated 6/28/79.)
- C. Were any fees paid to Mandel, Denne, or Estonne, Limited?
 - D. What was the \$2,500 paid by [redacted] used for?

(See page 6 of FD-302 of [redacted] dated 6/28/79.)

(See page 5 of FD-302 of [redacted] dated 5/10/79.)

E. What were the circumstances of the FEC bond being unacceptable to Mandel?

(See page 6 of FD-302 of [redacted] dated 5/10/79 and page 6 of [redacted] FD-302 dated 6/28/79.)

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b7C

(See enclosure #3 from [redacted], FEC, dated 7/21/78.)

F. Determine knowledge of Denne and Mandel lending sources and whether the SOSJ was a legitimate source of funds.

HOUSTON

AT HOUSTON, TEXAS

Will locate and interview [redacted] [redacted] who is a high official in the Sovereign Order of St. John's of Jerusalem (SOSJ), and obtain the following information:

A. Details of current status with the SOSJ.

B. Circumstances of the SOSJ appointment of Denne to handle their financial affairs.

C. Period of time Denne had authorization to represent the SOSJ in financial dealings.

D. The relationship of Mandel, Estonne, Limited, and [redacted] to the SOSJ.

E. The manner in which Denne, Mandel, and Estonne, Limited handled the financial affairs of SOSJ and were any loan packages ever funded.

F. Why [redacted] was to receive \$195,000 from the commission disbursement of the [redacted] loan.

(See enclosure of Western Union Telex to [redacted] [redacted] dated 6/7/78.)

G. Did [redacted] receive any fees or commissions from any deals of Denne, Mandel, Estonne, Limited, or [redacted]

H. What relationship did Mandel, Denne, and Estonne, Limited have with [redacted] the Financial Energy Corporation, and the Financial Surety and Guaranty Company, all of Denver, Colorado?

I. Determine knowledge of Denne and Mandel lending sources and current whereabouts of [redacted]

LOS ANGELES

AT LOS ANGELES, CALIFORNIA

b6
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Locate and interview Ernest Mandel, 2160 Century Park East, and determine the following:

A. Complete background of Mandel, including his association with Jere Denne, [redacted] Estonne, Limited, [redacted] Financial Energy Corporation, Financial Surety and Guaranty Company, [redacted] Colonial Assurance Company, [redacted] Multi-Metallics Mining Company, and [redacted]

B. Details of Mandel's attempts to fund both [redacted] and [redacted] loans, including requests for and use of advance fees.

(See enclosures 2, 3, and 4.)

C. Details of Mandel's association with and authority to arrange loans through the Sovereign Order of St. John's of Jerusalem (SOSJ).

D. Why [redacted] had to reinsure their loans through the Financial Energy Corporation (FEC) and why FEC was later determined to be inadequate as an insurance company.

(See pages 5 and 6 of FD-302 of [redacted] dated 6/28/79 and pages 5 and 6 of FD-302 of [redacted] dated 5/10/79.)

E. Details of any actual funding for any loan arranged by Denne, Mandel, and Estonne, Limited, and identify source of funds.

F. Actual use of advance fees paid by [redacted]

G. Did Denne, Mandel, or Estonne, Limited receive any commission on the \$2,500 fee paid by [redacted] to FEC?

(See page 6 of FD-302 of [redacted] dated 6/28/79 and pages 5 and 6 of FD-302 of [redacted] dated 5/10/79.)

H. Why did Denne, Mandel, and Estonne, Limited eventually break off negotiations on the [redacted] loans?

It is noted that both [redacted] claimed that [redacted] alleged Denne and Mandel were "frauds."

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(See page 9 of FD-302 of [redacted] dated 7/11/79 and pages 9 and 10 of FD-302 of [redacted] dated 6/28/79.)

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I. What was the actual extent of the SOSJ commitment dated 2/11/78, and who specifically committed \$20 million of SOSJ funds to the [redacted] project?

(See enclosure #5 representing SOSJ commitment dated 2/10/78, to [redacted] and signed by Denne.)

J. Determine current relationship with Denne, Estonne, Limited, and the SOSJ.

K. Determine the purpose of the telegram sent to [redacted] on 6/8/78, representing a request of \$175,000.

(See enclosure #1 representing a Telex TWX dated 6/8/78 to [redacted] from Mandel.)

MIAMI

AT NORTH MIAMI, FLORIDA

Will locate and interview [redacted]

[redacted]
and determine the following:

A. Background of [redacted] association with Denne, Mandel, Estonne, Limited, and the Sovereign Order of St. John's of Jerusalem (SOSJ).

B. Details of [redacted] legal work for Mandel, Denne, and Estonne, Limited, and whether he has knowledge of any funding of any loans associated with them and whether he [redacted] was paid for any of his legal services.

C. Recollection of contacts with San Antonio victims
[redacted]

It is noted that [redacted] contacted [redacted] on 4/4/78, and was assured that the "deal" was legitimate and [redacted] at that time even knew who the source of funding was.

(See page 1 of the FD-302 of [redacted] dated 7/11/79.)

It is also noted that [redacted] signed an agreement to pay [redacted] \$6,000 on 4/26/78.

(See enclosure #2 representing [redacted] letter to [redacted] dated 4/26/78, and page 2 of FD-302 of [redacted] dated 7/2/79.)

D. Details of [redacted] Mandel's, and Denne's association with [redacted] and the Colonial Assurance Company; [redacted] and the Multi-Metallics Mining Company; [redacted] of the SOSJ; and [redacted]

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(See FD-302 of [redacted] dated 7/11/79 and FD-302 of [redacted] dated 6/28/79.)

E. Details of [redacted] Denne, and Mandel's association with [redacted] of the Financial Energy Corporation (FEC), and the Financial Surety and Guaranty Company (FSGC), and why they were not acceptable as a guarantor to the alleged lender.

(See pages 5 and 6 of FD-302 of [redacted] dated 6/28/79 and pages 5 and 6 of FD-302 of [redacted] dated 5/10/79.)

F. Knowledge of any conversation between Denne and Mandel in which they discussed the legitimacy of their alleged lending ability.

G. Purpose of telegram sent to [redacted] on 6/8/78, regarding a request for \$175,000 as a release for liability.

(See enclosure #1 representing Western Union TWX dated 6/8/78.)

MIAMI

AT SURFSIDE, FLORIDA

Will locate and interview Jere Denne at 215 88th St., Surfside, and determine the following:

A. Complete background, including her association with Ernest Mandel, [redacted] Estonne, Limited, [redacted] Financial Energy Corporation, Financial Surety and Guaranty Company, [redacted] Colonial Assurance Company, [redacted] Multi-Metallics Mining Company, and [redacted]

B. Details of Denne's attempts to fund both [redacted] and [redacted] loans, including request for and use of advance fees.

C. Details of Denne's association with and authority to arrange loans through the Sovereign Order of St. John's of Jerusalem (SOSJ).

D. Why [redacted] had to reinsure their loans through the Financial Energy Corporation (FEC) and why FEC was later determined to be inadequate as an insurance company.

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(See pages 5 and 6 of FD-302 of [redacted] dated 6/28/79 and pages 5 and 6 of FD-302 of [redacted] dated 5/10/79.)

E. Details of any actual funding for any loan arranged by Denne, Mandel, and Estonne, Limited.

F. Actual use of advance fees paid by [redacted]

G. Did Denne, Mandel, or Estonne, Limited receive any commission on the \$2,500 fee paid by [redacted] to FEC.

(See page 6 of FD-302 of [redacted] dated 6/28/79 and pages 5 and 6 of FD-302 of [redacted] dated 5/10/79.)

H. Why did Denne, Mandel, and Estonne, Limited eventually break off negotiations on the [redacted] loans?

It is noted that both [redacted] claimed that [redacted] alleged Denne and Mandel were "frauds."

(See page 9 of [redacted] FD-302 dated 7/11/79 and pages 9 and 10 of FD-302 of [redacted] dated 6/28/79.)

I. What was the actual extent of the SOSJ commitment dated 2/11/79 and who specifically committed \$20 million of SOSJ funds to the [redacted] project? Will also verify Denne's signature on this document.

(See enclosure representing SOSJ commitment dated 2/11/78, and signed by Denne.)

SAN DIEGO

AT SAN DIEGO, CALIFORNIA

Will locate and interview [redacted]
[redacted] Pacific Management Association, Inc., [redacted]
[redacted] and obtain the following:

A. Determine background including relationship to the Sovereign Order of St. John's of Jerusalem (SOSJ), Mandel, Denne, Estonne, Limited, and [redacted]

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B. Why did [] tell [] that [] could fund his [] loan?

(See page 8 of FD-302 of [] dated 7/11/79.)

C. What actual sources did [] have and why couldn't Denne and Mandel handle the funding?

D. Were there any funds available from the SOSJ and what was [] relationship to the SOSJ and was he to have received any commission on funded projects?

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AIRTEL

UNCLAS

1/25/82

DIRECTOR, FBI

SAC, SAN ANTONIO (196A-53)

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FOF (Rm. 3841)

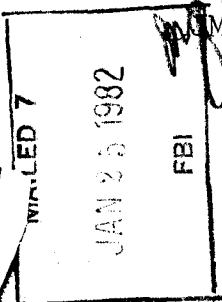
b6
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DR. JERE E. DENNE, aka
Jaret E. Denne,
dba SOVEREIGN ORDER OF ST. JOHN'S
OF JERUSALEM,
DEA, ETC.;
ET AL;
FBW (A); ITSP
OO: SAN ANTONIO

ReSA airtel dated 11/19/81.

Based on information provided in reairtel, a search of
GONMAN INDEX (CMI) was conducted. The CMI does contain references
to Jere E. Denne.

San Antonio is advised that they are in possession of
the CMI, dated 11/17/81.



MMG/RST/jh
(6)

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Exec AD Inv. _____
Exec AD Adm. _____
Exec AD LES _____
Asst. Dir.:
Adm. Servs. _____
Crim. Inv. _____
Ident. _____
Intell. _____
Laboratory _____
Legal Coun. _____
Plan. & Insp. _____
Rec. Mgnt. _____
Tech. Servs. _____
Training _____
Public Affs. Off. _____
Telephone Rm. _____
Director's Sec'y _____

MAIL ROOM ☐

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